

AGREEMENT

BETWEEN

SA CONFEDERATION OF ICELANDIC
ENTERPRISE

AND

FEDERATION OF GENERAL AND SPECIAL
WORKERS IN ICELAND (SGS)

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4

CATERING, ACCOMMODATION, SERVICE AND
SNACK BARS (GREIÐASÖLUSTAÐIR), LEISURE
COMPANIES AND SIMILAR ACTIVITIES

In force from 1 May 2015 until 31 December
2018.

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1. CHAPTER 1 On scope of application and wages

1.1 Scope

This agreement covers work by members of SGS in catering, accommodation, service and snack bars (greiðasölustaðir), leisure companies and similar activities.

1.2 On wages¹

1.2.1. Wage Category 2²

Hourly rate for casual work (not shift work).

Day work

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	1,334.40	1,421.61	1,495.52	1550.78
E. 1 year in industry	1,343.91	1,431.12	1,505.62	1,561.34
E. 3 year in industry	1,353.57	1,440.78	1,515.86	1,572.03
E. 5 years in company	1,363.37	1,450.58	1,526.25	1,582.91

Overtime

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	2,383.53	2,539.31	2,671.33	2,770.04
E. 1 year in industry	2,400.52	2,556.30	2,689.36	2,788.89
E. 3 year in industry	2,417.77	2,573.55	2,707.66	2,808.00
E. 5 years in company	2,435.28	2,591.06	2,726.22	2,827.43

Wage Category 5

¹ Complete wage tables can be found on pages 75 – 78. For wages at service and snack bars (greiðasölustaðir) that sell petrol and have other operations, see Chapter 16

² The hourly rate for casual work is paid from 1 May 2017, according to Wage Category 3 and from 1 May 2018 according to Wage Category 4.

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General workers in catering and guesthouses.

Monthly salary

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	234,500	249,500	260,728	268,550
E. 1 year in industry	236,211	251,211	262,515	270,390
E. 3 year in industry	237,948	252,948	264,331	272,261
E. 5 years in company	239,711	254,711	266,173	274,158

Wage Category 6

Specially trained workers in accommodation and restaurants who can work independently, show initiative and who may be assigned supervision on a temporary basis.

Monthly salary

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	236,211	251,211	262,515	270,390
E. 1 year in industry	237,948	252,948	264,331	272,261
E. 3 year in industry	239,711	254,711	266,173	274,158
E. 5 years in company	241,500	256,500	268,043	276,084

Wage categories for horse trainers and assistants

Wage Category 3³

Assistance without experience in horse training

Monthly salary

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	231,153	246,153	257,230	266,735
E. 1 year in industry	232,814	247,814	258,966	268,550

³ Paid according to Wage Category 4 from 1 May 2018.

⁶ Agreement between SA and SGS for catering and accommodation services, service and snack bars (greiðasölustaðir), leisure companies etc.

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E. 3 year in industry	234,500	249,500	260,728	270,390
E. 5 years in company	236,211	251,211	262,515	272,261

Wage Category 10

Horse trainers with experience

Monthly salary

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	243,316	258,402	270,030	278,131
E. 1 year in industry	245,159	260,359	272,075	280,237
E. 3 year in industry	247,030	262,346	274,152	282,377
E. 5 years in company	248,928	264,362	276,258	284,546

Wage Category 17

Horse trainers with two-year education from the University at Hólar or equivalent

Monthly salary

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	256,814	272,736	285,009	293,559
E. 1 year in industry	258,859	274,908	287,279	295,897
E. 3 year in industry	260,936	277,114	289,584	298,272
E. 5 years in company	263,043	279,352	291,923	300,681

1.2.2

Wages for under twenties

Wages for 18 and 19-year-olds are 95% of starting wages for 20-year-olds. Individuals who are 18 and 19 that have worked for at least 6 months (a minimum of 700 working hours) in an industry after the age of 16 have the right to starting wages for 20-year-olds. At 20 years of age, work experience is fully recognised with length of service increments (1,800 hours are equivalent to one year's work).

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Wages for 17-year-olds are 89% of starting wages for 20-year-olds; for 16-year-olds they are 84%, for 15-year-olds they are 71% and for 14-year-olds they are 62% of the same base. Age increments for workers under 18 years of age are based on the year of birth.

1.2.3. Certificate of work experience

Worker shall submit confirmation of experience in the industry, and length of service is assessed from and including the next end of month after confirmation is submitted.

1.2.4 Appointment to management positions

Employees who are appointed to management positions shall receive wages that are 15% higher than according to Article 1.2.1. Deputising in these jobs, requested by the employer, is paid in the same manner. The scope of work of those appointed to management positions shall be specified in a written contract of employment.

1.2.5. The scope of work of doormen shall be specified in a written contract of employment.

1.3 Changes in wages during term of agreement

1.3.1 **Changes in wages 1 May 2015**

Wage adjustment guarantee (launabróunartrygging) for workers who commenced work on or before 1 February 2014

The base increase in wages on the coming into force of this agreement is 7.2% for a worker with monthly pay of ISK 300,000 or less and who started work with his/her employer on or before 1 February 2014. The base increase in wages of workers that have higher monthly pay than ISK 300,000 increases incrementally such that the increase reduces in equal steps from ISK 300,000 down to 3.2% for a worker with pay of ISK 750,000 per month. Wage development guarantee is therefore according to the appendix which is part of this agreement.

Any wage increase the worker has received since 2 February 2014 is deducted from the base increase. The increase in wages and wage-related items according to this provision can never be lower than 3.2%.

Changes in pay for workers who commenced work during the period 1 February 2014 until 31 December 2014

In the case where a worker began work in the period from 1 February 2014 until the end of December 2015, then his/her wages and wages-related items increase by 3.2% from the coming into force of this agreement.

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Comparison of wages

Comparison of wages shall be based on fixed weekly or monthly wages with the addition of fixed premia or additional payments, whatever they may be called, including fixed overtime.

Performance-related pay schemes

Wage development guarantee does not cover workers who work in performance-related work systems, where wages for performance constitute the main part of the wages.

Additional pay rate increase in the collective agreement

Pay rates in the agreement increase additionally, see Appendix. Wage Category 1 is removed and the job title is moved to Category 2. Terms of employment related items increase by about 7.2%, unless decided otherwise.

1.3.2

Changes in wages 01 January 2016⁴

The base increase in wages and wage-related items on 1 May 2016 is 6.2% for an employee who has been employed by the same employer from 1 May 2015, with a minimum of ISK 15,000 on the monthly wages for day work.

The employer is authorised to deduct from the agreed increase in 2016, any non-notified general increases in workers' wages that were made after the coming into force of collective agreements of the affiliated unions in question in the year 2015 and up to 21 January 2016, if the employer has made such an increase in wages for the majority of its workers. Now workers shall however receive an increase in wages less than 6.2%, with a minimum of ISK 15,000 on the monthly wages for day work for the period 2 May until 31 December 2015.

1.3.3

Changes in wages 1 May 2017⁵

⁴ The change in wages from 1 May 2016, was brought forward on 21 January 2016, with an agreement between SA, ASI and unions affiliated to ASI, 2. 1 January 2016, were a general 6.2% change in wages with limited authority for deductions, replaced a 5.5% wage development guarantee.

⁵ See the SA and ASÍ agreement from 21 January 2016. Wages and wages rates increase by about 4.5% on 1 May 2017 instead of the 3% general increase in wages and the 4.5% increase in wages rates in the collective agreement. Wages and wages rates increase by about 3.0% on 1 May 2018 instead of the 2% general increase in wages and the 3.0% increase in wages rates in the collective agreement.

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Wages and wages-related items increase by about 4.5% on 1 May 2017.

Collective agreement wages rates, see Article 1.2.1, increase from the same time by about 4.5%.

1.3.4

Changes in wages 1 May 2018⁴

Wages and wages-related items increase by about 3.0% on 01 May 2018.

Collective agreement wages rates, see Article 1.2.1, increase from the same time by about 3.0%.

1.4. Minimum wages for full-time work.

The minimum wages for full-time work, full 173.33 working hours per month (40 hours per week), shall be as follows for workers who have worked for at least 6 months' after their 18th birthday with the same company (though for a minimum of 900 hours):

1 May 2015. ISK 245,000 per month

01 January 2016. ISK 260,000 per month

01 May 2017. ISK 280,000 per month

01 May 2018. ISK 300,000 per month

A monthly bonus shall be added to the wages of workers who have not achieved the above specified income, where income in this respect includes all payments, including any kind of bonus, premium and additional payments made within the above specified period of work. The bonus for minimum guaranteed wages is not impaired as a result of contractual increases in wages for increased education provided jointly by the parties to the agreement.

Wages for work in excess of 173.33 hours per month and recompense for outlay costs is not included in the calculation in this case.

1.5. December bonus and holiday pay bonus

1.5.1

December bonus

The December bonus for each calendar year based on full employment is:

ISK 78,000 for the year 2015,

ISK 82,000 for the year 2016,

ISK 86,000 for the year 2017,

ISK 89,000 for the year 2018,

A full year's work in this case is considered to be 45 worked weeks or more, not including holiday. The bonus is paid no later than 15

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December each year, according to percentage of full-time position and length of service, to all workers who have been in continuous employment with the employer for 12 weeks during the last 12 months, or that are in work in the first week of December. With agreement with a worker, it is authorised to have the settlement period from 1 December to 30 November each year instead of the calendar year.

The December bonus includes holiday pay, is a fixed amount and does not change according to other provisions. Accrued December bonus shall be settled on termination of employment should this take place prior to the due day for the bonus.

A worker with a contractual relationship with the company who is not on the payroll because of a lack of raw material or because of illness in December does not lose his/her right to the December bonus and this period of time is included in the calculation of the December bonus.

1.5.2. Holiday pay bonus

The holiday pay bonus for each holiday pay year (1 May to 30 April) based on full employment is:

ISK 42,000 for the holiday year which commences 1 May 2015,

ISK 44,500 for the holiday year which commences 01 May 2016,

ISK 46,500 for the holiday year which commences 01 May 2017,

ISK 48,000 for the holiday year which commences 01 May 2018.

A full year's work in this case is considered to be 45 worked weeks or more, not including holiday. The bonus is paid no later than 1 December each year, according to job percentage and length of service, to all workers who have been in continuous employment with the employer for 12 weeks during the last 12 months', as of 30 April or that are in work in the first week of May.

The December bonus includes holiday pay, is a fixed amount and does not change in line with other provisions. Accrued holiday pay bonus shall be settled on termination of employment should this take place prior to the due day for the bonus.

1.5.3 Absences for maternal/paternal leave or when a woman needs to take leave for safety reasons during pregnancy.

After one year working for the same employer, absence for statutory maternal/paternal leave is considered working time when calculating December and holiday pay bonuses. The same applies if a woman for safety reasons needs to take leave during pregnancy, see regulation on measures to increase health and safety at the workplace for women who are pregnant, have recently given birth to a child or who are breastfeeding.

1.6. Length of service pay increases

- 1.6.1. If requested, the employee shall provide proof of work experience.
- 1.6.2. Length of service with relation to work experience shall be assessed on the basis of confirmed information on prior work. For general work, such as in kitchens, cleaning and work in shops, work experience in related work, including domestic work shall be specifically assessed. In the case of comparable work, employees can gain up to one year work increment, even if they have not previously worked under this collective bargaining agreement.
- 1.6.3. Assessment of length of service
When assessing length of service for wages, the age of 22 shall be considered equivalent to having one year's employment in the industry.

1.7. Hourly pay in day work

The pay rate for day work shall be calculated by dividing the monthly wage by 172.

1.8. Overtime premium

- 1.8.1. Overtime is paid with an hourly rate equivalent to 1.0385% of the monthly pay for day work.
The calculation of overtime pay is according to the employment contract or to a written confirmation of employment.
- 1.8.2. All extra work on public holidays (stórhátíðardagar) pursuant to Article 2.3.1 is paid at an hourly rate which is 1.375% of monthly pay for day work. This does not apply to regular work of shift workers, where holidays in the winter months are granted in accordance with Article 3.4 for work on the days in question.
- 1.8.3. Employees who work overtime do not enjoy special weighting pursuant to Article 3.2 and wintertime off pursuant to Article 3.4, shall receive in addition to overtime pay, day work pay for work on Good Friday, Easter Sunday, Whit Sunday, 17 June, Christmas Day, Christmas Eve after 12:00, New Year's Day between 12:00 and 22:00. Work on New Year's Eve from 22:00 and on New Year's Day shall be paid at double overtime rate.

1.9. Call-out

If employees are called out to work, they shall be paid a minimum of 4 hours.

1.10. The right to full payment of monthly wages

- 1.10.1. A worker who has worked with the same employer in the same industry continuously for one month or longer shall be paid full monthly pay in such a manner that holidays specified in a contract of employment which fall on Mondays to and including Fridays, are paid.
- 1.10.2. Continuous work for one month means work with the same employer or in the same industry for full day work/shift work for one month, where absences for illness, accident, holiday, strikes, or lockout are equivalent to full work.
- 1.10.3. An employee who has done seasonal work or work paid by the hour for a total of one month with the same employee during the past 2 years shall receive unimpaired monthly pay, according to 1.10 .1 when he is hired for regular work, see Article 1.10 .2.

1.11. Part-time work

- 1.11.1. Those who are called into work irregularly (not shift work) shall receive payment by the hour pursuant to Wage Category 1, according to length of service and accrued rights with the same employer. See protocol
- 1.11.2. Employees who regularly work part-time (for an agreed job/percentage job), whether part of a day or in another manner, shall enjoy the same right to payment of contractual and statutory accrued rights, such as days off, sickness and accident days, notice of termination, length of service pay rises, etc., as those who work a full working day and payments shall be on the basis of percentage job and on a normal working day of the employee in question.

1.12. Rules on payment of wages

- 1.12.1. Payment of wages is made at the workplace during working hours.
- 1.12.2. Wages shall be paid monthly after the first business day of the following month such that when fixed monthly wages are paid e.g. for January, then payment is made for the period 1 - 31 January which shall be made on the first business day of February. Overtime wages, shift premium and other payments for the period 20th day of the preceding month until the 19th day of the month prior to the payment date. Those who are not paid fixed monthly wages shall however be paid weekly, no later than on the Friday of the following week.
- 1.12.3. The employer is authorised to pay wages with a cheque or a deposit in the bank account of the employee in question..

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- 1.12.4. If an employer requests to introduce another payment system for wages than specified in this agreement, he is obliged to consult his/her employees, the relevant union and relevant employers' association.
- 1.12.5. A payslip shall detail fixed wages, hours in day work, hours worked with shift premium, overtime, clothing allowance, driving allowance, taxes, contributions to pension funds and other deductions. Holiday pay shall be shown on the payslip pursuant to Act no. 30/1987. Time sheets shall be filled out in duplicate and the employee shall retain one copy. In the case of electronic time register or time clock, a copy of daily time recording shall accompany the payslip.

1.13. Economies and piecework pay systems

Should an agreement be reached between a restaurateur and his employees to make economies and adopt a piecework pay system, the relevant trade union shall be allowed to monitor this from the outset.

1.14. Chambermaids, night watchmen and doormen

- 1.14.1. Chambermaids are not obliged to do major cleaning on the ceilings of accommodation facilities.
- 1.14.2. When hiring night watchmen, their scope of work shall be defined in writing.
- 1.14.3. This agreement covers night security indoors in companies and only relates to any kind of surveillance work, telephone answering and door supervision related to the job. Other and unrelated work is according to agreement between the employee and the company.
- 1.14.4. When hiring doormen, their scope of work shall be defined in a written contract of employment.

In addition to the terms of employment, it shall be stated that the party in question fulfils the conditions set by Article 18 of Regulation no.585/2007 on restaurants, accommodation premises and entertainment events, to work as a doorman, see page 72.

The scope of work of a doorman is to keep things under control indoors and in a queue of guests outside, in addition to other tasks the employer might assigned to him.

1.15. Employment contracts and letters of engagement

- 1.15.1 If a worker is employed for a period longer than one month and on average for more than 8 hours per week, a written employment contract shall be made, or the appointment confirmed in writing. If a worker ceases work before the end of the 2 months' notice, without a written employment contract having been made or without the hiring being confirmed in writing, such confirmation shall be provided at the end of the period of employment.
- 1.15.2 Changes to terms of employment that exceed those resulting from the law or collective bargaining agreements, shall be confirmed in the same manner, no later than one month after their implementation.
- 1.15.3 The provisions of Article 1.15.1. and 1.15.2. do not apply to casual employment, except where this is based on objective criteria.
- 1.15.4 The employer's duty to provide information - In the employment contract or in written confirmation of employment, i.e. the letter of engagement, at least the following shall be included:
1. The identities of the parties, including ID numbers.
 2. Workplace and address of the employer. If there is no fixed workplace, or location where the work is generally done, it shall be stated that the worker is employed at various sites.
 3. Title, position, nature or kind of work that the worker is employed to perform, or a short list or description of the job.
 4. First working day.
 5. Duration of employment if it is for a limited period.
 6. Holiday pay rights.
 7. Termination notice for employer and employee.
 8. Monthly or weekly pay, e.g. with reference to wage categories, other payments or benefits and the time of payment.
 9. The length of a normal working day and working week.
 10. Pension fund.
 11. Reference to collective bargaining agreement in force and to the relevant union.
- Information pursuant to items 6-9 may be provided with reference to the collective bargaining agreement.
- 1.15.5. Work abroad - If a worker is required to work in another country for one month or longer, he shall be given written confirmation of his/her employment before departure. In addition to the information pursuant to Article 1.15.4. the following shall be shown:
1. Estimated working time abroad.
 2. The currency in which wages are paid.

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3. Allowances or benefits related to work abroad.

4. As appropriate, conditions to be met for the employee to be able to return home.

Information pursuant to items 2-9 may be provided with reference to law or to the collective bargaining agreement.

1.15.6 Temporary employment

Temporary employment is according to Act no. 139/2003 on temporary employment of workers.

1.14.7 Right to damages

If the employer breaches the provisions of this article, then he can be liable for damages.

1.16. Wages in foreign currency

It is authorised to pay part of a fixed monthly wages in foreign currency or to tie part of a monthly wages to the exchange rate of foreign currency with an agreement between the employee and employer. The exchange rate used will be the selling rate of the currency for the day (agreement day) when the agreement between the employee and employer is made.

A fixed monthly wage shall be calculated and entered on the payslip in the following manner:

1.Fixed monthly wages in ISK on agreement day.

2.The amount in ISK on which agreement was reached to pay in foreign currency or to tie to the exchange rate of a foreign currency on the agreement day, is deducted.

3.The part of the fixed monthly wages which is paid or tied to a foreign currency, (see item 2), calculated in ISK at the selling rate of the foreign currency 3 business days prior to pay day.

The sum of 1-3 can however never be less than the minimum pay rate of the collective agreement which applies for the industry in question.

The sum of 1-3 forms the base for payment of taxes and contributions pursuant to the collective agreement, such as pension, illness, rehabilitation, holiday dwellings and re-education funds.

An employee and employer are authorised to come to agreement to the effect that overtime, shift premium, bonuses and other payments will be settled in part or wholly in a foreign currency.

Wage increases shall only be calculated on item 1, i.e. fixed monthly wages in ISK.

An employee can at any time request cancellation of the agreement. If an employee makes such a wish, the employer shall accede to the wish from and including the next end of the month

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but one from the day when it was made. The employee shall receive pay, according to item 1 as amended from the day when the initial agreement was made.

The employee and employer shall make a written agreement on payment of wages in foreign currency or on linking wages to a foreign currency.

1.17. Competition clause

The provisions of the employment contract that forbid workers from working with the employer's competitors are not binding if they are more far-reaching than necessary to protect the company from competition, or if they limit the workers' freedom of employment in an unfair manner. In either case, each individual case has to be assessed, taking all factors into consideration. Provisions on competition may therefore not be too general in their wording.

When assessing how broad competition provisions in an employment contract may be, particularly with regards to scope of applicability and to time limitations, the following aspects must be taken into consideration:

- a. The kind of work the employee in question does, e.g. whether he is a key employee or is in direct contact with customers or bears significant responsibilities. There is also the question of the knowledge or information the employee may have about company operations or about its customers.
- b. How quickly the employee's knowledge becomes obsolete and whether reasonable parity is maintained between employees.
- c. The kind of operations in question, and whether there are competitors on the market where the company operates and which the employee's knowledge covers.
- d. That the employee's freedom of employment is not impaired in an unfair manner.
- e. That the competition provision is defined and precise for the purpose of protecting specific competition interests.
- f. The rewards the employee receives also has an impact, e.g. his/her wages.

The competition provisions of the employment contract do not apply if the employee's employment is terminated without him having himself given sufficient reason for this.

1.18. Certificates and payment for them

If an employer requests that an employee provide a certificate, e.g. criminal record certificate or health certificate, the employee is obliged to provide such certificates and the employee is obliged to pay for them. Payment for doctor's certificates is according to Article 8.4.3.

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The provisions of Paragraph 1 do not cover certificates that applicants for jobs need to provide in connection with the job application.

Protocol on certificates with job applications

The parties to the agreement recommend that when jobs are advertised as available for application in the media that applicants are not required to provide certificates immediately with the preliminary application, for which they have to pay public bodies. Only applicants that are short-listed need to provide such certificates.

CHAPTER 2 On working hours

2.1. Day work

2.1.1 For the fixed monthly wage, employees shall work 40 hours each week (active working time 37 hours and 5 minutes), or for a proportionately shorter period of time if 1 of the days off listed in 2.3.1 - 2.3.2 occur in the week.

2.1.2. Day work is considered to be from 08:00 until 17:00 Monday to Friday. If an employee works in more than one department with the same employer, his total maximum daily work hours are 8/ 40 per week. Day work of each employee shall be scheduled as continuous hours on each day and shall never commence before 07:00. The start of day work for each employee shall be decided in his/her employment contract and shall not be changed unless his/her employment has been terminated or with agreement. It is authorised to schedule day work in another manner than described above, if the employer and employees reach an agreement on this.

It is authorised with a written agreement between an employee and the company to move day work between days in such a manner that the weekly work obligation will be fulfilled in a period shorter than 5 whole working days and then the provisions of Article 2.2.1 do not apply.

2.1.3. Regular part-time work

An employee hired for part-time work is paid by the hour for work in excess of his/her percentage position, day work during the day work period, overtime, outside the day work period and on contractual holidays and public holiday (stórhátíðardagur) pay for work on public holidays (stórhátíðardagar)

2.1.4. Casual work

An employee hired for casual work (has no obligation for work) is paid by the hour for day work during the day work period, overtime, outside the day work period and on contractual holidays and public holiday (stórhátíðardagur) pay for work on public holidays (stórhátíðardagar).

2.2. Overtime

2.2.1 Contractual overtime commences when the agreed day work has ended, 7 hours and 25 minutes active working hours, during the period 07:00 to 17:00 Mondays-Fridays, i.e. 40 hours per week, see Article 2.1.1.

2.2.2. For work in excess of 40 hours per week and on contractual holidays pay for work on public holidays (stórhátíðardagar), overtime is paid and public holiday pay for work on public holidays.

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- 2.2.3. If an employee works in lunch and coffee breaks during day work, then this is paid at overtime rate.

2.3. Days off

- 2.3.1. Public holidays (stórhátíðadagur) are considered to be:

New Year's Day
Good Friday
Easter Sunday
Whitsun Sunday
17 June
Christmas Eve after 12:00
Christmas Day
New Year's Day after 12:00

- 2.3.2. Holidays other than public holidays are:

Maundy Thursday
Easter Monday
First day of summer
1 May
Ascension Day
Whitsun Monday
First Monday in August
Boxing Day

2.4. Minimum rest

- 2.4.1. Daily resting time

Working hours should be scheduled in such a manner that during each 24-hour period calculated from the beginning of the working day, an employee shall have at least 11 hours continuous rest. If it is possible to arrange it, daily rest shall be within the period between 23:00 till 06:00.

It is unauthorised to organise work such that working hours exceed 13 hours.

- 2.4.2. Exceptions and time off in lieu

In special circumstances, when things of value must be protected, the working session can be lengthened to up to 16 hours, subsequent to which a period of 11 hours rest must be given immediately after work without impairment of rights to fixed daily pay.

In instances where special circumstances make it unavoidable to deviate from the daily resting time, the following applies: If employees are specifically requested to turn up for work before 11 hours rest has been reached, it is authorised to postpone the rest and provide it later, in such a manner that time off in lieu, 1½

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hours (day work) is accumulated for each hour that the rest period has been curtailed. It is authorised to pay out ½ hour (day work) time off in lieu, if the employee so wishes. In all instances, it is unauthorised to shorten an 8-hour period of continuous rest.

If an employee works for a long time before a holiday or weekend and does not get 11 hours' rest on the basis of a normal start of the working day, then this should be treated in the same way. If an employee comes to work on holiday or weekend, overtime is paid for worked hours, without further additional payments for this reason.

The above provisions do however not apply to scheduled shift changes where it is authorised to shorten resting time to 8 hours.

Accrued time off in lieu according to the above shall be shown on the payslip and shall be given in half or whole days outside company high season, in consultation with employees where the accrued time off in lieu is at least 4 hours. At the end of employment, an employee's unused time off in lieu is settled and is considered to be part of the duration of employment.

It is unauthorised, without the agreement of the employee, to schedule work in such a way that accrued time off in lieu is taken at a time when the employee is travelling for his/her employer, or is working at some distance from his/her home or base, except as normal continuation of the earning of holiday rights.

2.4.3 Weekly day off

In every 7-day period, the employee shall have at least one weekly day off which is linked directly to daily resting time and the week shall be considered to commence on Monday.

2.4.4 Postponement of weekly day off

To the extent possible, the weekly day off shall be on Sunday and to the extent possible, those working at the same company or at the same fixed place of work shall have their day off on that day. A company may nevertheless postpone the weekly day off with an agreement with employees, where special circumstances make such an exception necessary. If there is a special need to schedule work in such a way that the weekly day off is postponed, a collective agreement shall be made on this. It is then allowed to take the day off in such a manner that 2 days off are taken together every other weekend (Saturday and Sunday). If days off on the other hand, fall on weekdays for unforeseen reasons, this does not impair the rights of employees to fixed wages and shift premium.

If an employee needs to travel abroad on unpaid holiday days at the request of the company, then on his/her return home he shall receive time off equivalent to 8-day work hours for each day off that he missed if this has not been taken into account when

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deciding wages. The taking of these days off is handled in the same manner as decided in the chapter on minimum rest and days off.

2.4.5 Breaks

An employee has a right to at least a 15-minute break if his/her daily working hours exceed 6 hours. Meal and coffee breaks are considered to be breaks in this connection.

2.4.6 With respect to scope of applicability, rest time, work breaks etc., reference is made to the agreement between ASÍ and VSÍ from 30 December 1996 on specific issues that relate to the scheduling of working time, and that is attached to this agreement as an Appendix and is considered to be an integral part of this agreement and which is identical to the agreement between ASÍ and VMS. The above specified provisions augment Article 13 of this agreement.

2.5. Recording of working hours

2.5.1 Each commenced hour in requested overtime is paid as 30 minutes and as 60 minutes if more than half an hour is worked.

2.5.2 This employee shall be punctual in commencing work, whether in the morning or after coffee and/or meal breaks. Employees shall be registered as being in working hours and they shall receive pay for the quarter of an hour during which they are clocked out.

If an employee turns up late for work, then he has no claim to that quarter of an hour in which he arrives, nor for the time that has passed.

It is authorised at workplaces that use a time clock, to pay wages according to the measured attendance hours recorded by the clock.

2.5.3 If employees need to change clothes, they should do this in their own time before working time commences, and after working time is completed.

2.6. Changed percentage job and/or working hours

An employee who changes his/her working hours at the request of the employer or with his/her acceptance, from part-time day work to full-time day work, or from full-time day work to part-time day work shall enjoy all contractual and statutory rights in instances of sickness or accident and payments of extra holidays from the time that he commenced work, on the basis of his/her length of service and in accordance with the changed working hours.

There is further information on part-time employees in the agreement between ASÍ and SA on part-time work and as appropriate in legislation on part-time employees.

2.7. Notification of absence

Employees shall be informed about justifiable absence with as much notice as possible.

2.8. Time off in lieu of overtime

It is authorised, with an agreement between an employee and employer, to accumulate days off in lieu of overtime in such a manner that overtime hours are accumulated for days off during day work periods while the difference between pay for day work and overtime is paid at the next regular payment or is accumulated in total for days off during day work periods. The value of worked overtime hours shall be used as a basis for calculation. Agreement should be reached on taking the days off. The right to take days off, according to the above, which have not been used before 1 May each year, or at the end of an employee's employment shall be paid out on the basis of the value of day work hours on the date of payment. There shall be agreement on taking days off, which shall be scheduled to cause as little disruption of operations as possible.

2.9. On-call shifts

It is authorised to introduce on-call shifts where an employee is obliged to be available on the telephone and to carry out work when called out. If the employment contract does not prescribe otherwise, then the following applies:

For each hour of an on-call shift where the employee on call is obliged to stay at home, he will receive the equivalent of 33% of the day hour rate. On general holidays and public holidays (stórhátíðardagar) pursuant to Articles 2.3.1 and 2.3.2, the above specified proportion will be 50%.

For on-call shifts where immediate reaction by the employee is not demanded, but where he is available for work immediately on being contacted, 16.5% of the day hour rate is paid for each hour of the on-call shift. On general holidays and public holidays (stórhátíðardagar) pursuant to Articles 2.3.1 and 2.3.2, the above specified proportion will be 25%.

For being called out on an on-call shift, the employee is paid for worked hours, though for a minimum of 4 hours, unless the work commences within 2 hours of him being called to work. Payments for on-call shifts and overtime payments never apply together.

2.10. Inconvenience from calls to an employee's own phone

If an employee's land line or mobile telephone number is shown in a company list of phone numbers then the work that this generates shall be taken into account when assessing wages.

2.11. Courses

Employees can spend up to 4-day work hours per annum attending courses that qualify for grants from Landmennt, without impairment of day work pay, given that at least half of the total course hours are attended in the employees' own time. Times for attending courses shall be chosen with company operations in mind.

CHAPTER 3 On shift work

3.1. Shift work

- 3.1.1 It is authorised to introduce shifts for all days of the week. If shifts are only worked 5 days a week within the time frame 17:00-08:00, the working week shall only be 38 hours. It is also authorised to work half shifts, 20 working week (19 hours were the working week is 38 hours).
- 3.1.2 A shift shall be no longer than 12 hours and no shorter than 3 hours. Each shift shall be worked as continuous hours and the employer is obliged to pay for the whole period of the shift, unless the employee asks for time off.
- 3.1.3 If an employee is hired for shift work, this shall be stated in his/her employment contract. A contract of employment allows for a percentage position in accordance with the shift schedule, see Article 3.1.5.1 or 3.1.5.2, the following 4 or 2 weeks subsequent to hiring. Allowance shall be made for the percentage position being changed with an agreement between employees and the company, with one week's notice and for a period of 2 or 4 weeks at a time.
- 3.1.4 Shifts in this agreement means a pre-defined work arrangement for employees. The length of shifts shall be specified in a shift schedule, among other things taking into account the start and end times of shifts. Work in excess of the specified working hours, according to the shift schedule, shall be paid as appropriate, according to Article 2.1.3 for part-time employees or 2.2.14 full-time employees.
- 3.1.5 Shift schedule
- 3.1.5.1 Shifts shall be organised for 4 weeks at a time and the shift schedule shall be announced at least one week before it comes into force.
- 3.1.5.2 In situations where the operations are based to a large extent on part-time work, it is authorised to decide shifts for a shorter period of time, but no shorter than for 2 weeks and given that it is stated in the contract of employment that the employee agrees to this arrangement.
- 3.1.5.3 The shift schedule shall be displayed where employees have easy access to it.
- 3.1.5.4 *Calls to extra shifts*
Extra shifts shall be called with as much notice as possible.

3.2. Premium on day work rate

- 3.2.1 In shift work, a premium is paid on that part of 40 hours work on average per week which falls outside the day work period:
33% premium for the period 17:00-24:00: Monday to Friday.
45% premium during the period 00:00-08:00 all days and Saturdays and Sundays.
- 3.2.2 Premium on holidays
Work on Maundy Thursday, Easter Monday, first day of summer, Ascension Day, Whitsun Monday, first Monday in August, and Boxing Day are paid with 45% premium on day work rate.
- 3.2.3 Premium on public holidays (stórhátíðardagar)
Work on New Year's Day, Good Friday, Easter Sunday, Whitsun, 17th of June, New Year's Eve after 12:00, Christmas Day and New Year's Day after 12:00 are paid with the 90% premium.
- 3.2.4 Overtime premium
For work in excess of 40 hours (38 hours is the day work during the period 17:00-08:00) on average in shift work per week, overtime shall be paid.

3.3. Refreshment breaks in shift work

- 3.3.1 Refreshment breaks shall be 5 minutes for each worked hour and are divided according to an arrangement between employees and managers.

3.4. Winter time off for work on public holidays (stórhátíðardagar)

- 3.4.1 Employees who work shifts accrue 12 winter days off for one year's work, for public and special days according to Articles 2.3.1 and 2.3.2, which fall on Mondays to Fridays.
- 3.4.2 If the workplace is closed on the above specified days or if time off is given, the corresponding number of days is deducted from the extra days off, except in the case of an employee who has accrued shift days off. The employer shall announce the provision of winter days off with at least a month's notice.
- 3.4.3 This winter days off shall be given during the period 1 October until 1 May. Winter days off are earned during the period October to October.
- 3.4.4 With an agreement between the restaurateur and an employee it is authorised that payment may be made in lieu of the days off in question, 8 hours at the day rate for each day off, based on full-

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time employment. A temporary worker's accrued winter days off are settled when his/her employment ends.

See appendix on page 73 on winter days off for shift workers.

CHAPTER 4 On meal and coffee breaks, food and transportation costs

4.1. Meal and coffee breaks during day work

- 4.1.1 The meal break shall be a continuous half hour Coffee breaks should be taken during the periods 11:00-10:00 and 17:00-16:00.
- 4.1.2 There shall be 2 coffee breaks and day work, totalling 35 minutes and they are considered working time.

4.2. Coffee breaks for employees paid by the hour

Employees who start work during the period 18:00 - 08:00 shall have coffee breaks equivalent to 5 minutes for each hour and they shall be taken at 3 hourly intervals and are considered to be working time. (These coffee breaks apply to employees on extra shifts and employees paid by the hour. Permanent employees take their coffee breaks, pursuant to Article 4.1.2).

4.3. Work during meal breaks

If it is not possible to provide a meal break pursuant to Article 4.1, then it shall be paid.

4.4. Meal and coffee breaks during overtime.

- 4.4.1 If overtime is worked until 19:00 or longer, a 30 minute meal break shall be provided, which is considered working time, if the employee in question did not get an evening meal break prior to his shift. If work is done during the meal break or part of it, a correspondingly longer working time is paid.
- 4.4.2 If overtime is worked during the night, then a 30 minute meal break shall be given during the period 03:00 - 05:00. This meal break and all coffee breaks are considered to be in working time. If work is done during these breaks, then a correspondingly longer period of overtime is paid for.
- 4.4.3 It is not authorised to sign people out of work when the time has come for a coffee or meal break in overtime (with the exception of

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evening meal break). In such instances these coffee or meal breaks will be paid in addition to worked hours.

- 4.4.4 The length of refreshment breaks at weekends is treated in the same manner as those on working days.

4.5. Food and transportation costs

- 4.5.1 The employer provides employees with food during working hours at no cost to the employee. When hot meals are not available and/or if the employee is working outside normal meal times, he shall be provided with sandwiches and milk, coffee or tea.

4.5.2 Work outside the workplace

When employees are sent to work at locations outside the workplace, their travel and subsistence shall not entail costs for the employee.

4.5.3. Travel to and from work at night

If a working shift ends after midnight, or if work has to be started before 08:00, the employer shall provide accommodation in a room with made up bed or provide transport, or shall pay an amount equivalent to 2½ times the start charge for a taxi.

4.5.4 Car allowance for use of own car on behalf of the employer

- 4.5.4.1 If an employee uses his/her own car at the request of the employer, he has a right to payment. Payment is based on kilometres travelled on behalf of the employer. If an alternative agreement has not been made with the trade union in question, the amount per kilometre shall be the same as decided by the state travel cost committee in each instance.

- 4.5.4.2 In the case of home deliveries within a built-up area, the restaurateur and the employee who provides a vehicle are authorised to agree to a fixed cost in ISK for each delivery.

4.5.5 Per diem payments on journeys abroad

Per diem payments to employees for journeys abroad are according to the decisions of the State Travel Cost Committee, if the company does not have specific rules on payment of travel costs.

CHAPTER 5 On holidays

5.1. Holiday pay rights.

Minimum holidays shall be 24 days, 10.17% as in holiday pay legislation. An employee who has worked for 5 years in the same company or 10 years in the same industry shall have a right to holiday for 25 days and to holiday pay of 10.64%. In the same manner, an employee who has worked 10 years with the same company is entitled to 30 days holiday rights and 13.04% holiday pay. Holiday pay rights are calculated from the beginning of the next holiday year after the above specified length of service has been reached.

An employee who has received increased holiday rights because of his/her work in the same company will regain these rights after 3 years with a new employer, given that the rights have been verified.

5.2. Holiday outside the holiday period

Summer holiday is 4 weeks, 20 working days, which should be granted during the period 15 May-30 September. Holiday in excess of this may be granted outside this period and is decided with at least one month's notice. Those who, at the request of the employer, do not receive 20 holiday days during the summer holiday period, have the right to a 25% premium on anything less than 20 days.

5.3. Holiday pay accounts in bank

Unions are authorised to come to an agreement on how this is organised with individual employers, that holiday pay is paid continuously into a special employee holiday pay account in a bank or savings bank. In such an agreement, it shall be ensured that the party that undertakes custody of the holiday pay, pays the employee accrued holiday pay, i.e. the principal plus interest, at the beginning of the period when the holiday is taken. It is mandatory to provide the Ministry of Social Affairs immediately with a copy of such an agreement and to notify its termination.

5.4. Illness and accident during holiday

If an employee falls ill on holiday in this country, in a country within the EEA, in Switzerland, United States or Canada, so seriously that he cannot use the holiday, he shall on the first day notify the employer of this situation, e.g. with a telegram, email or in another verifiable manner unless prevented to do so by a force majeure and

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in this event, he should do so as soon as the obstacle is no longer in place.

If the employee meets the obligation to notify and if the illness lasts for more than 3 days and if he informs the employer within this period of notice about which doctor is treating him or will issue a doctor's certificate, he has a right to additional holiday for an equal length of time as the illness verifiably lasted. In the above circumstances the employee shall always prove his/her illness with a doctor's certificate. The employer has the right to have a doctor visit an employee who has become ill on holiday. Additional holiday days shall, as far as possible, be provided on dates requested by the employee, during the period 2 May-15 September except in special circumstances. The same rules as above apply to accidents on holiday.

5.5. General provisions

- 5.5.1 Holidays are in other respects covered by the provisions of holidays legislation at any given time.
- 5.5.2 On the decease of an employee, accrued holiday rights will be paid to his/her estate with a deposit in his/her wages account or in another manner.

CHAPTER 6

Company-specific part of collective bargaining agreement (fyrirtækjapáttur)

6.1. Objectives

The objective of the company-specific part (fyrirtækjapáttur) of the collective agreement is to strengthen cooperation between employees and managers in the workplace in order to create grounds for better terms of employment for employees through increased production.

The objective is to develop a collective agreement which serves the interests of both parties. Among other things, the goal is for shorter working hours with the same or greater production. In doing this, the aim shall always be to divide the defined benefits between employees and the company on the basis of clear parameters.

6.2. Authorisation for negotiations

The company-specific part (fyrirtækjapáttur) normally applies to all employees covered by the collective agreements of the unions in question. It is however authorised to make special agreements at individual specific workplaces, if there is agreement to do this.

Negotiations on the company-specific part (fyrirtækjapáttur) take place under an embargo on industrial action of the general collective bargaining agreement and shall be initiated with the agreement of both parties. It should then be clearly stated in writing which parties will be covered by the agreement.

When negotiations have been decided, the relevant unions and employers' associations are notified. It is proper for both parties, employees and representatives of the company, to seek advice from the parties to the negotiation. The parties can either singly or jointly decide to call in representatives of the parties to the agreement for advice on making the agreement, immediately after negotiations have been decided.

6.3. Representatives of employees - spokesmen in negotiations

Union delegates shall be spokesmen for employees in negotiations with company managers. The union representative shall be

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authorised to have elections for 2 to 5 additional members of the negotiating committee, depending on the number of employees, and they jointly form the negotiating committee.

The union representative and elected representatives shall be allowed a reasonable amount of time in working hours for preparation and negotiation. They shall furthermore enjoy specific protection in their jobs and it is unauthorised to let them pay a price for their work in the negotiating committee. It is thus unauthorised to dismiss them because of their work in the negotiating committee.

At workplaces where representatives are in 2 or more unions, they shall jointly represent employees in those instances where the company agreement has an impact on their positions. Under these circumstances, care should be taken to ensure that a representative for all relevant industries takes part in the discussions, regardless of whether this means that the negotiating committee is expanded for this reason.

Where representatives have not been appointed, the relevant employees' association can be instrumental in the election of a negotiating committee.

6.4. Dissemination of information

Before embarking on the task of making a company agreement, company management shall inform representatives and others in the negotiating committee on the company's current status, future prospects and personnel policy.

A union representative has a right to information on wage payments at those workplaces where he is a representative, to the extent necessary to implement provisions of the company agreement.

While the company agreement is in force, union representatives shall be informed twice a year about the above specified issues and about emphases in company operations. They shall respect confidentiality on this information where it is not in the public domain.

6.5. Authorised exceptions

It is authorised with an agreement within a company, between employees and the company, to adapt the provisions of the agreement to the needs of the workplace with exceptions, with respect to the following items, given that agreement is reached on remuneration to employees.

- a) Flexible day work. It is authorised to agree on a 07:00-19:00 day work period.

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- b) Four-day working week. It is authorised to complete the full weekly hours in day work in 4 days when the law or other agreements do not prevent this.
- c) Shift work. It is authorised to adopt shift work with a minimum of one month's notice. The shift work shall not last for a shorter duration than one month at a time.
- d) Overtime premium on daily basic rate. It is authorised to move part of the overtime premium to the daily basic rate.
- e) Leave in lieu of overtime. It is authorised to agree to aggregate overtime hours and to take leave in lieu for an equal number of hours on working days outside company high season. Overtime hours are aggregated and then paid at daily rate, but the overtime premium is paid out.
- f) Refreshment breaks. It is authorised to agree on an arrangement for refreshment breaks, which is other than that in the main collective bargaining agreement.
- g) Holidays. It is authorised to use part of holidays to decrease operations, or to close on specific days outside company high season.
- H) Piecework pay scheme. It is authorised to develop a piecework pay scheme without formal workplace research where this is considered by both parties to be beneficial.
- I) Moving of Thursday holidays. It is authorised to agree at a workplace that contractually bound holidays for Ascension Day and for the first day of summer, which both always fall on a Thursday, are moved to another working day, e.g. Friday or Monday, or are joined to other holidays taken by employees.

Exceptions from general rules of the collective agreement in excess of the above specified limits is therefore only authorised where endorsements of the union in question and of SA are in place.

6.6. Recompense for employees

If agreement is reached on adapting provisions of the collective bargaining agreement to the needs of a company or on exceptions from work practices on which an agreement has been made, an agreement should also be made on a share for employees of the gains made by the company from the changes.

The employees' share can be in the form of fewer working hours without a commensurate reduction in income, payment of a fixed amount per month or per quarter, competence premium, percentage premium on wages or a fixed ISK amount on hourly rate or in another manner, all depending on the agreement reached. Agreements shall however clearly specify what constitutes the gains made by the company and the recompense for employees. Both are exceptions from the collective agreement and

can become void in the event of termination pursuant to Article 6.7. in this Chapter.

6.7. Coming into force, scope and period of validity

The agreement on the company part (fyrirtækjapáttur) shall be in writing and shall be submitted for approval to all parties that the agreement is intended to cover, by secret ballot, which the appropriate employees' negotiating committee shall organise. An agreement is considered endorsed if it receives support from a majority of cast votes. The union in question shall ascertain that the agreed exceptions on recompense for these exceptions, assessed as a whole, comply with the provisions of law and of the collective agreement on minimum terms of employment. If a notification to the contrary has not been received within 4 weeks, the agreement is considered to be endorsed by both parties.

It is authorised to allow a company agreement to be in force temporarily for up to 3 months and then to finalise its content in the light of experience. Otherwise the period of validity shall be indefinite. After one year, either party can require a review. If an agreement is not reached on changes within 2 months, either party can terminate the company agreement with 6 months' notice, ending as of the end of a month. At the end of that period they both become void, the agreed changes and the share of employees in the company gain. For a termination to be binding, it must receive the support of a majority of the employees in question in the same kind of vote as was used for the coming into force of the agreement. If an employer terminates the company-specific part (fyrirtækjapáttur) of the agreement, the wages increases related to the agreement will only be reversed to the extent equivalent to the increase in costs resulting from the adoption of the former agreement provisions.

The company-specific part (fyrirtækjapáttur) of the collective bargaining agreements does not come into force until 6 months' after the coming into force of the main collective bargaining agreement.

6.8. Impact of company agreement on terms of employment

Changes to terms of employment that may result from a company agreement are binding for all employees in question, if they have not formally objected to the making of the agreement to company management and to the employee's negotiating committee before the vote has taken place.

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The provisions of a company agreement apply equally to the employees that are employed when the agreement is agreed pursuant to the provisions of this chapter, and also those employed later, given that they have been acquainted with the substance of the agreement when appointed.

6.9. Treatment of disputes

Should a dispute arise within the company on the understanding or implementation of a company agreement and should it not be possible to resolve it with discussions between the parties at the workplace, employees have the right to seek assistance from the appropriate union or to refer the matter to the union for resolution.

If an agreement is not reached on assessment of the impact of termination pursuant to the final item in Paragraph 2 of Article 6.7, either party can appeal the matter for resolution by an objective party on whom the parties agree. 65% of costs are paid by the company and 35% by employees.

7. CHAPTER On priority for work

7.1. Priority

When hiring, members of relevant trade union have priority for work with the employer and all employees shall have easy access to the unions. On the other hand, members of the relevant trade union undertake not to take employment in catering or accommodation jobs with employers other than companies in the Association of restaurateurs and accommodation providers, if they need staff, and have notified the relevant trade union about this need.

CHAPTER 8 On working environment, health and safety

8.1. Safety equipment

The personal safety equipment considered necessary by the Administration of Occupational Safety and Health, or specified in the collective agreement, shall be available for use by employees, see the Act on working environment, health and safety.

8.2. Use of safety equipment

Employees are obliged to use the safety equipment specified in the collective agreement and in regulations, and foremen and union representatives shall ensure that it is used.

8.3. Breach of safety rules

8.3.1 If employees do not use the safety equipment provided for them at the workplace, it is authorised to dismiss them without notice from their work after having cautioned them in writing. The workers' union representative shall ascertain without delay that there was a reason for the dismissal and he should be given the option of acquainting himself with all circumstances of the case. If he does not agree with the reason for the dismissal, he shall object to the dismissal in writing and then the dismissal without notice shall not be implemented.

8.3.2 A breach of safety rules, which results in a threat to employees' physical safety or life shall be subject to dismissal without notice, if the union representative and the representative of the company agree on the matter. If the safety equipment specified in the collective agreement and which the Administration of Occupational Safety and Health has required to be used, is not available at the workplace, then each employee who does not receive such equipment is authorised to refuse to work on the tasks where such equipment is a requirement. If no other job is available for the employee in question, he shall retain unimpaired wages.

8.3.3 Should a dispute arise on this provision of the agreement, it is authorised to refer the case to ASÍ and SA.

8.4. Lockers

Each employee shall have a lockable locker. If this is not feasible there shall be lockable storage where they can keep valuables.

8.5. Work by young people

Limitations imposed on work by young people are according to Chapter X of the Act on working environment, health and safety in workplaces no. 46/1980, and according to the Regulation on the work of children and teenagers no. 426/1999

CHAPTER 9 On payment of salaries in instances of sickness and accident and on accident insurance

9.1. Salary during sickness

Employees shall, during each 12-month period, retain salaries during incidences of accident and sickness leave as specified here:

- 9.1.1 In the first working year with the same employer 2 days are paid at the rate he would have been paid, for each worked month.
- 9.1.2 After one-year continuous work with the same employer, one month is paid, at the rate he would have been paid.
- 9.1.3 After two years continuous work with the same employer, one month is paid, at the rate he would have been paid and one month at day rate wages.
- 9.1.4 After three years continuous work with the same employer, one month is paid at the rate he would have been paid and two months at day rate wages.
- 9.1.5 After 5 years continuous work with the same employer, one month is paid at the rate he would have been paid, one month at full day rate wages (i.e. day rate wages, bonus and shift premium, see Article 9.3.2) and 2 months at day rate wages.
- 9.1.6 An employee who has accrued four months sickness rights after 5 years continuous work with the same employer and who accepts a job within 12 months with another employer, retains 2 months' sickness rights (one month at the rate he would have been paid and one on day rate wages) given that his/her employment ended with the previous employer in a normal manner and that his/her rights are verified. The employee acquires improved rights after 3 years' continuous work with the new employer, see Article 9.1.4.
- 9.1.7 Sickness rights are total rights for each 12-month period, regardless of the type of illness.

Explanation:

Sickness rights are based on paid sick leave days during a 12-month period. At the beginning of an illness when an employee becomes unfit for work, the number of days that have been paid in the last 12 payment months is taken into account and is deducted from accrued sickness rights. If an employee has received no wages for a period of time, then that period is not included in the calculation.

9.2. Accidents at work and occupational diseases

- 9.2.1 If an employee does not turn up for work as a result of an accident at work or on his/her way directly to or from work, and equally if an employee becomes ill with an occupational disease, then in addition to his/her right to wages during sickness, he shall retain his/her day work wages for 3 months.

The above specified right is an independent right and does not impair the employee's sickness rights.

Per diem from the Social Insurance Administration (TR) for these days is paid to the party paying the wages.

Explanation:

Being unfit for work as a result of an accident can either become evident immediately after the accident or later. Proof and causal relationship are pursuant to general principles.

- 9.2.2 In the case of a work accident, the employer pays for transporting the injured person to his/her home or to the hospital and also pays normal medical costs while he is on wages, other than that which TR pays. The injured party provides receipts for outlay costs to the employer and payment shall be made at the same time as wages payments, see Article 9.4.

An accident on a direct route to or from work is considered to be a work accident for the purposes of transport or ambulance costs.

9.3. Salary concepts

- 9.3.1 Substitute wages are based on the wages that the employee would verifiably have received if he had not missed work because of illness or accident, not counting premium payments for specific risk, difficulty or dirty conditions when performing specified jobs, or attendance bonus.
- 9.3.2 Full daytime wage is a fixed wage for day work with the addition of shift premium or similar premium payments for work based on 8 hours per day or 40 hours a week for full-time work.
- 9.3.3 Day work wages are fixed wages based on day work (without bonus and any kind of premium payments) for 8 hours per day or 40 hours per week for full-time work.

9.4. Pay-out of sickness pay

- 9.4.1 Payment of wages in instances of sickness or accident shall be made in the same manner and at the same time as other payments for work, given that a doctor's certificate has been received in a timely manner for wages calculations.
- 9.4.2 If there is a dispute on the employer's liability for compensation, pursuant to Article 9.2, then this should be decided on the basis of whether the state accident Insurance considers there to be a duty to pay compensation for the accident.
- 9.4.3 Doctor's certificate
The employer pays for the doctor's certificate given that the illness is immediately notified to the employer on the first day of illness and that employees are always obliged to submit a doctor's certificate.

9.5. Child illness and time off for unavoidable circumstances

- 9.5.1 During the first 6 months' in work with an employer, a parent is authorised to spend 2 days for each worked month in tending his/her sick children under 13 years of age, given that no other care is available. After 6 months' work the rights will be 12 days for each 12-month period. A parent retains day work wages and shift premium where appropriate.
With reference to the rules on payments relating to sick children, it is the common understanding of the parties that the word parent also means foster parent or guardian, i.e. the child's ward and who is in *loco parentis*.
- 9.5.2 An employee has the right to time off from work in the event of unavoidable circumstances (force majeure) and family emergencies resulting from illness or accident which require the immediate presence of the employee.
An employee has no right to wages from the employer in the above specified instances, see however the provisions of Article 9.5.1.

9.6. Maternal/paternal leave prenatal checkup

- Act no. 95/2000 covers maternal/paternal leave and parental leave on the same issue.
Pregnant women have the right to necessary absence from work for prenatal check-ups without deductions from their fixed salaries if such check-ups need to take place in working hours.

9.7. Death, accident and disability insurance

9.7.1 Scope

Employers are obliged to guarantee employees that which is covered by this agreement with respect to death, permanent medical disability and/or temporary disability from an accident at work or on a normal route between the workplace and home and also between the workplace and home during meal breaks. If an employee dwells away from his/her home in the course of his/her work, such a dwelling-place is the equivalent of his/her home, and the insurance also covers normal journeys between the home and the dwelling place.

Accident insurance also applies on journeys at home and abroad, where the travel is for the employer.

The insurance shall cover accidents that occur in sports activities, competitions and games, if this has been on behalf of the employer or employee association where participation is expected in such activities as part of an employees' work. In this respect it makes no difference whether the accident happens in or outside normal working hours. Exceptions to this are accidents that happen in boxing, any kind of wrestling, driving sports, hang-gliding, gliding, bungee-jumping, mountain climbing that requires special equipment, abseiling, snorkelling and parachuting.

The insurance does not pay compensation for accidents resulting from the use of motor vehicles that require licensing in this country and that are liable for damages pursuant to statutory motor vehicle insurance, whether liability insurance or accident insurance for the driver and owner pursuant to traffic laws.

9.7.2 Coming into force and termination of insurance

The insurance comes into force with respect to the employee when he commences work for the employer (is registered on the payroll) and terminates when his/her employment ends.

9.7.3 Index and indexed compensation

Insurance amounts are according to the consumer price index for indexation, which is in force from 1 May 2015 (426.4 points) and which changes on the first day of each month in direct proportion to changes in the index.

Compensation amounts are calculated on the basis of insurance amounts on the day of the accident, but they change with the consumer price index for indexation as follows:

Compensation amounts change in direct proportion to changes in the index from the day of the accident until the day of settlement.

9.7.4 Compensation for death

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If an accident causes death of an insured party within 3 years from the date of the accident, the right holder is paid compensation for death, less the amount of disbursed compensation for permanent medical disability resulting from the same accident.

Compensation for death from 1 May 2015 will be:

1. Compensation to the surviving partner shall be ISK 7,554,232.
Partner means an individual in marriage, in a registered partnership or civil partnership with the deceased.
2. For each minor child that was in the custody of the deceased for which the deceased paid child support pursuant to the Act in respect of children no. 76/2003, compensation shall be the amount equal to the total amount of child maintenance support up to the age of 18, pursuant to legislation on public insurance in each instance, that the child would have had the right to because of the death. This is a lump sum compensation. When calculating compensation, the child maintenance rate on the day of death shall be used. Compensation to each child shall go never be less than ISK 3,017,693 Compensation to children shall be paid out to the party who has custody after the death of the insured person. Young people in the age range 18 to 22, who had the same legal abode as the deceased, and who were verifiably dependent on the deceased shall have compensation of ISK 754,423. If the deceased was the only person supporting a child or young person, the compensation increases by 100%.
3. If the deceased person had verifiably supported a parent or parents, 67 years or older, the surviving parent or parents will jointly receive compensation to the amount of ISK 754,423.
4. If the deceased did not have a partner pursuant to Item 1, compensation for death of ISK 754,423 will be paid to the estate of the deceased.

9.7.5

Compensation for permanent disability

Compensation for permanent disability is paid in proportion to the medical consequences of the accident. Permanent disability should be assessed on a points scale, according to a table on level of suffering, which is published by the committee on disability and the assessment shall be based on the health of the injured party as it is when stable.

The total value of disability compensation is ISK 17,200,849. Compensation for permanent disability shall be calculated such that for each disability point 1-25 a payment of ISK 172,008 is made; for each disability point from 26-50 ISK 344,017 is paid; for each disability point 50-100, ISK 688,034 is paid. Compensation for 100% permanent disability is therefore ISK 47,302,335.

Disability compensation shall furthermore take into account the age of the injured party on the date of the accident such that

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compensation decreases by 2% for each year of age after 50. After 70 years of age, compensation decreases by 5% of the base amount for each year of age. Age-related disability compensation shall however never lead to greater impairment than 90%.

9.7.6

Compensation for temporary disability

If an accident causes temporary disability, the insurance shall pay per diem in proportion to the loss of ability to work, 4 weeks from the time that the accident happened and until the employee is able to work after the accident, or until disability assessment has taken place, but no longer than for 37 weeks.

Per diem for temporary disability is ISK 37,721 per week. If an employee is partly able to work, per diem is paid proportionately.

Per diem from the insurance is paid to the employer while the employee is paid wages pursuant to the collective bargaining agreement or employment contract and then subsequently to the employee.

9.7.7

Insurance obligation

All employers are obliged to purchase insurance from an insurance company with an operating licence in this country which fulfils the above specified conditions of the collective bargaining agreement on accident insurance.

In other respects than specified in this chapter of the agreement, the provisions of the Act on Insurance Contracts no. 30/2004 apply.

Protocol on unfitness to work due to illness

The parties agree that, in addition to incidences of illness and accident, sickness rights pursuant to this agreement are activated if an employee needs an urgent and necessary medical procedure to mitigate or remove the consequences of an illness which is foreseeably leading to unfitness to work.

The above definition does not however constitute a change in the sickness concept of labour law as it has been interpreted by the courts. The parties agree that medical procedures that an employee must have to remedy consequences of an accident at work also lead to sickness rights pursuant to this agreement being activated.

Protocol on doctor's certificate

The parties to the agreement will direct a request to the Minister of Health that he support changes to the rules on doctors' certificates. A demand will be made for a special doctor's certificate in the case of long-term absence. If an employee has been unfit for work because of illness or accident for four continuous weeks, a

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position should be taken in the doctor's certificate as to whether work rehabilitation is necessary to achieve or accelerate recovery. [2008]

CHAPTER 10 On workwear

10.1. Workwear

- 10.1.1 Employees shall always be clean and neatly dressed. If requested, they shall wear special workwear, specific colours or types of clothing and the employer shall provide them with this clothing as required and at no cost. It shall be the property of the employer and only used at work.
- 10.1.2 General workwear
Where necessary the employer shall provide employees with smocks, aprons and gloves as required.
- 10.1.3 Maintenance and cleaning
The employer shall be responsible for repairs and cleaning of the work where he provides and which is his property.
- 10.1.4 Doormen
doormen shall be provided with uniforms which are owned by the company is responsible for cleaning and maintenance is necessary. Doormen working outdoors shall be provided with protective clothing, as appropriate with respect to weather.

10.2. Damage to clothing and items

- 10.2.1 If an employee verifiably suffers damage to normal and necessary clothing and items when performing his/her work, such as to watches and glasses etc., then this shall be recompensed according to an evaluation.
- 10.2.2 The same applies if an employee suffers damage to clothes from chemical substances, including dust stabilising substances (calcium chloride).
- 10.2.3 If employees suffer damage (loss of protective clothing etc.) as a result of a fire at the workplace, then this shall be recompensed according to an evaluation.

CHAPTER 11 On contributions for sickness, holiday, vocational education, pension and work rehabilitation funds.

11.1. Sickness fund

Employers shall pay into a sickness fund of the union in question to the amount of 1% of wages paid to the workers, to cover sickness and hospital costs.

11.2. Holiday home fund

11.2.1 Employers pay the equivalent of 0.25% of the same amount to the relevant trade union holiday home fund.

11.2.2 Unions are authorised to come to an agreement with boards of pension funds on the collection sickness and holiday home fund fees concurrently with pension fund contributions.

11.3. Vocational education fund

Employees pay 0.3% to Landsmennt, which organises vocational education for SA confederation of Icelandic enterprise and workers in the countryside.

In other respects, reference is made to the agreement on issues relating to vocational education.

11.4. Pension fund

11.4.1 The agreement between the negotiating committees of ASÍ and SA on pension funds, dated 19 May 1969, as amended, shall apply between the parties, as appropriate, as is also the case with the agreement between ASÍ and SA on pension fund issues from 12 December 1995.

11.4.2 An employee pays 4% contribution to a pension fund on all wages and the employer in the same manner pays 8%, but the employer contribution will be:

from 01 July 2016: 8.5%

from 01 July 2017: 10.0%

from 01 July 2018: 11.5%

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11.4.3 Additional voluntary contributions to pension fund savings

11.4.3.1 If an employee pays at least 2% additional contribution to a pension fund (shared or personal), the employer's contribution shall be 2%.

11.5. Work rehabilitation fund

11.5.1 Employees pay 0.13%⁶ to the work rehabilitation fund, see declaration by ASÍ and SA appended to this agreement.

⁶ *Payment to VIRK – work rehabilitation fund will be 0.1% during the years 2016 and 2017.*

CHAPTER 12 On union fees

12.1. Union fees

Employees undertake to collect union fees for the appropriate unions in accordance with the rules of the union, whether this is a percentage of wages or a fixed charge. These fees shall be delivered on a monthly basis to the unions and the final payment day is the last working day of the subsequent month. It is authorised to deliver union fees at the same time as pension fund contributions.

CHAPTER 13 On notice of termination and reappointment

13.1. Notice of termination

During the first 2 weeks in work there is no notice of termination.

After 2 weeks continuous work with the same employer:
12 calendar days.

After 3 months continuous work with the same employer:
One month as of the end of the month month.

After 3 years continuous work with the same employer:
3 months as of the end of the month

Notice of termination is reciprocal.

The provisions of Article 13.1 fully replace the provisions of Article 1 of Act no. 19/1979 on notice of termination.

13.2. The process of termination

13.2.1 General on termination

Notice of termination is reciprocal. All terminations shall be in writing and made in the same language as the employment contract of the employee.⁷

13.2.2 Interview on reasons for layoff

An employee has a right to an interview about the ending of his/her employment and the reasons for layoff. A request for such an interview shall be made within 4 working days of receipt of announcement of layoff and the interview should take place within 4 days from that point in time.

An employee can request at the end of an interview or within 4 days that the reasons for his/her layoff are explained in writing. If the employer accepts this request of the employee, it shall be met within 4 days from that point in time.

If the employer does not accept the employee's request for written explanations, then the employee has the right within 4 days to another meeting with the employer on the reasons for the layoff in the presence of his/her union representative or other representative of his/her union if the employee so requests.

⁷ See further the agreement on mass layoffs in Article 13.6.

13.2.3 Limitation of authority to terminate employment pursuant to the law

When terminating employment, the provisions of the law that limit an employer's freedom to terminate must be respected, among other things provisions on union representatives and workers' safety representatives, on pregnant women and on parents in maternal/paternal leave, on employees who have notified maternal/paternal leave or parental leave and on employees who bear family responsibilities.

The provisions of Article 4 of Act no. 80/1938 on unions and industrial disputes must also be respected, as is also the case with legislation on the equal position and equal rights of men and women, on employees in part-time work, on the legal status of employees in change of ownership of companies and on the consultation obligation of the law on mass layoffs .

When an employee enjoys protection from layoff pursuant to the law, the employer must provide arguments in writing that support the reasons behind the layoff.

13.2.4 Penalties

Breaches of the provisions of this chapter can bring liability for compensation pursuant to the general principles of tort.

13.3. End of employment

If an employee is dismissed, after at least 10 years continuous work with the same company, the dismissal notice is 4 months if the employee is older than 54, 5 months if he is older than 59 and 6 months when he is older than 62. An employee can, on the other hand resign from his/her job with 3 months' notice.

13.4. Accrued rights

13.4.1 Accrued rights of employees shall be retained on reappointment within one year. In the same manner, accrued rights will come into force again after one month's work if the reappointment is after more than one year, but within 3 years.

13.4.2 An employee who has worked continuously for 1 year or longer, with the same employee shall, in the same manner enjoy accrued rights again after 3 months work if the reappointment takes place after a three-year break from the work but within 5 years.

13.4.3 Accrued rights for work abroad

Foreign workers in this country and Icelanders that have worked abroad bring their accrued working experience for the purpose of rights according to the collective bargaining agreement that are

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related to the time worked in a industry, given that the job abroad is considered comparable.

When appointed, employees shall provide proof of their work experience with a statement from a prior employer or in another equally verifiable manner. If an employee, when appointed, cannot provide a statement that fulfils the conditions pursuant to Paragraphs 3 and 4, he is authorised to submit a new statement within 3 months from his/her appointment. Accrued rights then come into force from and including the following end of month. The employer shall confirm receipt of the statement.

The statement from the former employer shall among other things specify:

- Name and personal identity of the employee in question.
- Name and identity of the company issuing the confirmation, along with telephone, email address and the name of the party responsible for issuing the statement.
- Description of the work done by the person in question.
- When the person in question started work at the company in question, when his/her employment ended, and whether there was any break, and if so when, in the work of the person in question.

The statement should be in English or translated to Icelandic by an accredited translator.

13.5. Maternal/paternal leave

According to laws on maternal/paternal and parental leave no. 95/2000, maternal/paternal leave shall be calculated as working time when assessing job-related rights, such as for the taking of holidays and lengthening of holidays pursuant to the collective bargaining agreement, length of service-related pay rises, sickness rights and layoff notice. The same applies if a woman for safety reasons needs to take leave during pregnancy, see regulation on measures to increase health and safety at the workplace for women who are pregnant, have recently given birth to a child or who are breastfeeding.

13.6. Agreement on mass layoffs

The parties to the agreement agree that it is desirable that layoffs are only directed at those employees whose employment is intended to be ended and not at all employees or a group of employees. With this in mind, the parties have made the following agreement:

Translation. Original Icelandic text takes precedence

13.6.1 Scope

This agreement only covers mass layoffs of permanent employees when the number of employees to be laid off over a 30-day period is:

At least 10 persons in a company with 16-100 employees;

At least 10% of employees in companies with 100-300 employees;

At least 30 persons in a company with 300 or more employees;

It is not deemed a mass layoff when employees are laid off pursuant to employment contracts that are made for a specific period of time or for specific projects. This agreement does not apply to layoffs of individual employees, to layoffs related to amendments to terms of employment without termination of employment in mind, nor to layoffs of crews of ships.

13.6.2 Consultation

If an employer is considering mass layoffs then prior to the layoffs, there shall be consultation with representatives of the unions in question in order to find ways to avoid the layoffs to the extent possible, and to mitigate their consequences. Where there are no union representatives on-site, there shall be consultation with a spokesman for the employees.

Union representatives shall then have the right to receive information that is significant with respect to the planned layoffs, particularly the reasons for the layoffs, the number of employees that it is planned to dismiss and when the layoffs will take place.

13.6.3 Implementation of mass layoffs

If in the opinion of the employer, mass layoffs cannot be avoided, even though the intention is to re-employ a number of the employees without their employment being terminated, the practice shall be that the decision on which employees will be offered re-employment is established as quickly as possible.

If the decision on re-employment has not been made and an employee is notified that he cannot be re-employed in a timely manner such that at least two thirds of the employee's layoff notice remains; his/her layoff notice is lengthened by one month if the layoff notice is 3 months; by 3 weeks if the layoff notice is 2 months' and by 2 weeks if the layoff notice is one month.

This provision applies to employees that have accrued at least one month's notice of termination.

Despite the provisions of this article, it is authorised in the event of external events outside the control of the employer, to make the notification of re-employment conditional because the employer can continue the operations that the employee is employed for, without this leading to a lengthening of notice of termination.

Protocol on procedures for layoff at the workplace

With an agreement between ASÍ and SA, dated 17 February 2008, a settlement was reached between the parties on procedures for layoff at the workplace. According to this, an employee has the right to an interview with his/her employer on the reasons for layoff, if he so requests. It is emphasised that the employer's right of freedom to terminate employment is subject to certain limitations pursuant to the law. The parties also agree to support good procedures for layoff at the workplace and will for this purpose cooperate on making educational material which shall be completed at the end of 2008. [2008]

CHAPTER 14 On union representatives

14.1. Election of union representatives

Workers are authorised to elect one union representative at each work location where 5-50 workers are employed and 2 union representatives if the workers are more than 50. On completion of the election, the union in question nominates the union representatives. Where is not possible to have an election, the union representatives shall be nominated by the union in question. Representatives will not be elected or nominated for more than 2 years in each instance.

14.2. Work of union representatives

In consultation with the foreman, union representatives at the workplace are authorised to spend the time necessary to complete tasks assigned to them by workers at the workplace in question and/or by the union in question, in connection with their work as union representatives and their wages shall not be impaired for this reason.

14.3. Documentation to which union representatives have access

A union representative or, spokesman for union shall be authorised to scrutinise relevant documents and worksheets in connection with the dispute in question. Such information shall be treated as confidential.

14.4. Facilities for union representatives

Representatives at the workplace shall have access to a lockable closet or equivalent and access to a telephone in consultation with the foreman.

14.5. Meetings at the workplace

The union representative at each company shall be authorised to call a meeting with workers twice a year at the workplace during working hours. The meeting commences one hour before the end of day work to the extent that this is possible. The meeting shall be called in consultation with the union in question and with the company management with 3 days' notice, unless the subject of the meeting is very urgent and in direct connection with the problem at the workplace. Then one day's notice is sufficient. Employees' salaries are not impaired in connection with this, for the first hour of the meeting.

At workplaces where a representative has not been nominated, the union representative is authorised to call a meeting of employees in the workplace, having received the permission of company management. Efforts shall be made to hold the meeting at a time that causes no disruption to company operations. For this reason, the agreement of the manager for the time and place of the meeting shall have been obtained before the meeting is called.

14.6. Representatives' complaints

The union representative shall pass on workers' complaints to the foreman or to other company managers before referring to other parties.

14.7. Courses for union representatives

Representatives at workplace shall be given the opportunity to attend courses that aim to increase their competence in work. Each union representative has the right to attend one or more courses organised by unions and that is intended to enable union representatives to deal more effectively with their work, a total of one week per annum. Those who attend a course shall retain day work income for up to one week per annum. In companies with more than 15 employees, union representatives shall retain their day work income for up to 2 weeks in the first year. This applies for one union representative per annum in each company where there are 5-50 employees and two union representatives where there are more than 50 employees.

14.8. Rights of union representatives to attend meetings

When collective bargaining negotiations are in progress, members of unions affiliated to SGS, that have been elected to negotiation committees, are authorised to attend the meetings during working hours. The same applies to union representatives at annual meetings of ASÍ/SGS and union representatives at joint committees of ASÍ/SGS and SA. Care should be taken that absences of employees cause minimum disturbance to the operations of the companies they work for and such an employee shall consult with his/her superior on absences with as much notice as possible. The general principle shall be that there should not be more than 1-2 employees from each company. It is not obligatory to pay wages for the hours when the employee is absent.

14.9. Rights of trades unions

This agreement on union representatives at workplaces does not impair the rights of those unions that already have rights in their agreements that are greater than those decided here with respect to union representatives of workplaces.

CHAPTER 15 Courses

15.1. Courses

If employees attend courses at the request of the employer, then the employer pays the course fee and fixed wages if the courses attended during working hours. If the course is held outside working hours, they work rate is paid for the equivalent number of course hours.

CHAPTER On petrol stations

16.1. Scope

The provisions of this Chapter apply to service and snack bars (greiðasölustaðir) that sell petrol and other services covered by the collective agreement.

16.2. Wages

Monthly pay with shift work charges and food allowance is according to the following wage category ranking:

Wage Category 6:

Workers in outdoor work and petrol station attendants.

Monthly salary

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	236,211	251,211	262,515	270,390
E. 1 year in industry	237,948	252,948	264,331	272,261
E. 3 year in industry	239,711	254,711	266,173	274,158
E. 5 years in company	241,500	256,500	268,043	276,084

Wage Category 7:

Workers who serve customers at petrol stations and other work at service and snack bars (greiðasölustaðir).

Monthly salary

	01/05/2015	01/01/2016	01/05/2017	01/05/2018
Start 20 years of age	237,948	252,948	264,331	272,261
E. 1 year in industry	239,711	254,711	266,173	274,158
E. 3 year in industry	241,500	256,500	268,043	276,084
E. 5 years in company	243,316	258,402	270,030	278,131

Wage Category 9:

Shift managers (cashiers) who are specifically employed to supervise shifts and who also do work according to Pay Rate II.

Monthly salary

01/05/2015	01/01/2016	01/05/2017	01/05/2018
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Start 20 years of age	241,500	256,500	268,043	276,084
E. 1 year in industry	243,316	258,402	270,030	278,131
E. 3 year in industry	245,159	260,359	272,075	280,237
E. 5 years in company	247,030	262,346	274,152	282,377

16.3. Food and transportation costs

Employees who do not have the option of meals at the workplace pursuant to the definition in Article 4.5 and who work continuous shifts of at least 8 hours, have the right to a payment of ISK 12,279 (from 1 May 2015) per month, which is the share of the employer in meal costs.

With respect to Article 4.5.1, the current arrangement at the workplace in question applies.

16.4. On workwear

If employees are required to wear special workwear in their work, they shall be provided with this and the cleaning of this workwear at no cost. Employees working outside (forecourt workers) at petrol stations shall also be provided with work gloves as needed.

After 6 months' work or at least 900 hours' work, forecourt workers shall receive work shoes suited to conditions at petrol stations. The norm is one pair per annum.

Protocol on transfer in return for wage category increment

For transfer of payments for refreshment breaks against wage category increment in the collective agreement between SA and SGS for catering, accommodation, service and snack bars (greiðasölustaðir), leisure companies and similar activities.

At those workplaces where the custom has been to pay 5 minutes for every worked hour because of inadequate taking of refreshment breaks, see Articles 3.3 and 4.3 in the separate agreement, these payments will be discontinued against an increment in wage category, being replaced by the following monthly payments for full-time work:

01/05/2015	Forecourt worker	Inside/outside	Shift foreman
Starting pay 20 years	8,404	9,283	8,437
After 1 year	8,347	9,320	8,019

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After 3 years	7,900	8,710	7,248
After 5 year	7,153	8,021	6,641
After 7 years	5,160	7,667	5,553

For part-time work payment in proportion. This applies equally to staff who were working with their company when the agreement came into force as to those who were hired subsequently. These payments are subject to general increases during the term of the agreement.

Protocol on the petrol station services chapter of the agreement

It is the joint understanding of the parties that wages pursuant to 16.2 include payment for shift changing and for preparation for opening at petrol stations in the morning and for finishing after closing. The understanding is that this time is 15 minutes for each shift and payment for this has been incorporated into pay scales and forms the base for overtime.

CHAPTER 17 On treatment of disputes

17.1. **Dispute**

- 17.1.1 Should a dispute arise between the parties to the agreement, then the party that considers he has been treated unfairly shall submit a complaint to the board of the other party. The boards shall investigate the details of the dispute and resolve it if possible. If the boards of both parties have not come to an agreement on a final solution to the dispute within 2 days from the time that the complaint was submitted, they are obliged to refer the case to a settlement committee, which is appointed such that each party nominates one member and one deputy while the relevant District Commissioner nominates the third and these 3 persons then try to settle the disputed issues. The committee shall have completed its work within 2 days from the time that the third member was appointed.
- 17.1.2 Disputes on wages or terms of employment or comparable disputes between employees and employers, which may arise during the term of the agreement may be referred for treatment by the umbrella associations before resorting to union action or referring to the courts.

CHAPTER 18 Vocational education

18.1. On vocational education supervisory committee

The parties to the agreement appoint 3 members each to a committee which has the task of organising and implementing vocational courses for the benefit of this industrial sector. The committee will seek cooperation with the Training Service Centre (FA/ETSC) and with other educational institutions, institutions and ministries, as appropriate and desirable in each instance. The committee sets its own rules of procedure.

CHAPTER 19 Agreement premises and basis for agreement

This collective agreement is based on the one hand on the collective agreements signed on 29 May 2015 and on the other hand on collective agreements signed on 21 January 2016.

Premises for agreement signed 29 May 2015:

This collective agreement is grounded on 3 main premises which are that purchasing power of wages will increase during the term of the agreement; that its wages policy will influence policy for other collective agreement negotiations and that government declarations in connection with the agreement will be fully honoured.

A special committee with 2 SA members and 2 representatives nominated by negotiation committees of those unions that sign the collective agreements with SA on 29 May 2015, shall commence work immediately and assess whether the following criteria have held:

1. In February 2016, the committee shall jointly discuss whether the government decisions and changes to the law that are promised and stated in the government declaration dated 29 May 2015 have been achieved. The committee shall announce before the end of February 2016 whether this premise has held.
2. In February 2016, the committee shall assess whether the wages policy and the increase in wages inherent in the agreement have influenced policy for other collective agreement negotiations on the labour market. The committee shall announce before the end of February 2016 whether this premise has held.

In February 2017, the committee shall assess whether the wages policy and the increase in wages inherent in the agreement have influenced policy for other collective agreement negotiations on the labour market. The committee shall announce before the end of February 2017 whether this premise has held.

3. In the month of February 2016, 2017 and 2018, the committee shall discuss whether the objectives of the parties to the agreement on increased purchasing power of wages have been achieved.

Should it be that any of the above specified premises have not held, a joint meeting of the negotiation committees of the above

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specified parties and of the management board of SA shall be called and this committee shall seek agreement on reactions to support the achieving of the objectives of the agreement, to support its premises and to work towards retaining its validity.

If agreement is not reached on reactions, then that party from the above specified parties (i.e. SA or the joint negotiating committee of the unions) who does not wish the agreement to retain its validity, shall explain this decision and support it with arguments. The agreement then is void from the end of April 2016, as of notification prior to 16:00 hours on 28 February 2016 on revision in 2016, and from the end of April 2017, as of notification prior to 16:00 hours on 28 February 2017, on the 2017 revision and from the end of April 2018 as of the notification prior to 16:00 hours on 28 February 2018 on the 2018 revision.

Basis of agreement signed 21 January 2016

This agreement is based on the framework agreement between the parties dated 27 October 2015 and on the protocol on pension issues and levelling of pension rights dated 5.5 2011.

If the bill is put to the Althingi by the Minister for Social Affairs and Housing in December 2015 on housing benefits and public rental dwellings have not been passed as law without significant changes in content by the end of February 2016, the parties agree to postpone the scrutiny by the premises committee in February 2016, with respect to these bills, until February 2017 and this is then deemed a new premise.

CHAPTER 20 On scope of application and wages

20.1. Term of validity

This agreement is in force from 1 May 2015 until 31 December 2018 and then becomes void without any specific notice of termination.

Protocols and declarations

Appendix - development of wage adjustment guarantee (launapróunartrygging)

Wage development guarantee for changes in wages 1 May 2015.

From	To	Increase	From	To	Increase
300,000	and lower	7.2%	530,001	540,000	5.1%
300,001	310,000	7.1%	540,001	550,000	5.0%
310,001	320,000	7.0%	550,001	560,000	4.9%
320,001	330,000	6.9%	560,001	570,000	4.8%
330,001	340,000	6.8%	570,001	580,000	4.7%
340,001	350,000	6.8%	580,001	590,000	4.7%
350,001	360,000	6.7%	590,001	600,000	4.6%
360,001	370,000	6.6%	600,001	610,000	4.5%
370,001	380,000	6.5%	610,001	620,000	4.4%
380,001	390,000	6.4%	620,001	630,000	4.3%
390,001	400,000	6.3%	630,001	640,000	4.2%
400,001	410,000	6.2%	640,001	650,000	4.1%
410,001	420,000	6.1%	650,001	660,000	4.0%
420,001	430,000	6.1%	660,001	670,000	4.0%
430,001	440,000	6.0%	670,001	680,000	3.9%
440,001	450,000	5.9%	680,001	690,000	3.8%
450,001	460,000	5.8%	690,001	700,000	3.7%
460,001	470,000	5.7%	700,001	710,000	3.6%
470,001	480,000	5.6%	710,001	720,000	3.5%
480,001	490,000	5.5%	720,001	730,000	3.4%
490,001	500,000	5.4%	730,001	740,000	3.3%
500,001	510,000	5.4%	740,001	750,000	3.3%
510,001	520,000	5.3%	750,001	and higher	3.2%
520,001	530,000	5.2%			

Protocol on implementation of agreement [2015]

Tourism in Iceland is developing rapidly, and there has been a substantial increase in the number of employees working under the tourism agreement and the number of employers who hire employees to work and we need to implement this agreement. There are some instances of the agreement not being properly implemented, in most cases where the employer and employees do not know its provisions well enough.

Parties to the agreement will therefore subsequent to the signing of this agreement, work jointly in acquainting employees and employers with the main provisions of the agreement, with the objective of ensuring its proper implementation. Particular attention will be paid to wages, premia, deductions from wages and arrangement of working hours. Attention shall be drawn to the provisions on the start and ending of shifts and the payment of wages for work outside the specified working time, according to the shift schedule.

The parties to the agreement furthermore agree on the importance of completing written confirmation of hiring before the first settlement of wages, so that the employee understands his terms of employment, whether he is working according to provisions on shift work or hourly rate. [2015]

Protocol on comprehensive review of agreement [2015]

The parties agree on the need to review the agreement in its entirety and they shall appoint a working group, two from each party, no later than September 2015. Working group shall have completed its tasks for December 2016. [2015]

Protocol on flexible retirement [2015]

The parties to the agreement agree on the importance of employees having the option of some kind of flexibility when it comes to retirement. The needs and circumstances of people in the labour market vary, and with increasing lifespan and improved health, it is common that people retain full working capacity and the will to participate in the labour market long past retirement age. Flexible retirement can mean working less during the last years of the working life and it can also mean permission to continue working past retirement age for those who have full working capacity and the wish to continue as active participants in the labour market. It is important to take into account the circumstances of each and every person.

Flexible retirement has been discussed in the committee which has the role of reviewing the Social Security Act, and to which representatives from the labour market are party. The committee agrees that the legislation should support increased individual flexibility and has among other things discussed the increase of retirement age to 70 in stages, and to authorise the postponement of taking pensions until 80 years of age, instead of 72 as it is today, against an increase in the monthly pension of the person in question.

During the last the decades, life expectancy has increased and average age has increased across the world. An increasing number of people live longer and are healthier in their senior years. This development calls for a reassessment of retirement age. Most neighbouring countries have increased retirement age for this reason.

The value of work for physical and mental well-being is undisputed and understanding of this is increasing. Work input from older employees is important and is on the increase, with a drop in natural increase of employees in the labour market because of changed age distribution. [2015]

Protocol on discussions on the scheduling of working hours [2015]

The parties to the collective agreement aim at changes in definitions of working hours and are thus approaching the scheduling of working hours most common in the Nordic countries. The main objective of the changes is to encourage a family-friendly labour market with shorter total working time, which can furthermore constitute economies and simplification of pay schemes across the whole labour market.

The discussions on changes to the working hours provisions of the collective agreement will among other things, cover the taking up of "active working hours" and a review of premium periods and premium on pay for work outside the day work period.

Premiums on pay for work outside the defined day are higher in this country than is generally the case in the Nordic countries and this has among other things resulted in wages for day work being a lower proportion of total wages.

The main objective of the changes will be to increase the share of day work wages in total wages and to encourage discussion at the workplace on improved scheduling of working hours and increased productivity. This will bring the Icelandic labour market closer to the structure that is prevalent in many places in the Nordic countries. Improved organisation can also support shorter working hours and thus support a more family-friendly labour market. Changes of this kind improve Iceland's position in international comparison, both with respect to working hours and basic wages, and it could also strengthen Iceland's position in competition for employees.

In return for changes in working hours, the pay scales of the collective agreement increase and in addition to this the minimum wages for individual jobs can change if there is a specific need to react to the impact of changed premium payments. The minimum wage guarantee will however not increase.

Parties to the agreement will appoint members to a working committee before the end of June 2015 in order to prepare changes to working hours provisions in the collective agreement. A specific discussion plan shall be made for the organisation of the discussions, see Article 23 of the Act on unions and industrial disputes. The objective is for the agreement to be in place in October 2016 and it will be put to a vote in November 2016. Changes in working hours and the accompanying changes in wages would come into force in May 2017. The parties will from the beginning of

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the work, seek support from the State Conciliation and Mediation Officer for managing the initiative.

A special agreement will be made on the voting, but it is assumed that a simple majority will be needed for the agreement to come into force. [2015]

Protocol on evaluation of studies for wages [2015]

The parties to the agreement will work on evaluating learning/real competence for determining wages, in two steps on the basis of analysing competence requirements for jobs. A plan shall be made for analysing jobs with the involvement of both parties and in cooperation with the Training Service Centre (FA/ETSC), where competence elements of a job are listed in the curriculum.

A committee of parties to the agreement, 3 from ASÍ and 3 from SA will commence work no later than autumn 2015. Work will continue on the basis of proposals that the parties to the agreement developed in the run-up to the collective agreements. The objective is for the course and the real competence assessment to be started on the basis of this work in the autumn of 2016.

The manner in which payment shall be made for assessed competence for a specific job, shall be decided by 1 October 2016. [2015]

Protocol on continuous work and accrued rights [2015]

“Continuous work” in the understanding of the collective agreements means that an employee has been in a continuous employment relationship, regardless of whether he has temporarily been removed from the payroll. A period without wages is not however considered to be part of the length of service for the purpose of gaining rights, unless provisions of law or of the collective agreement say otherwise, see e.g. Statutory maternal/paternal leave. [2015]

Protocol on damage to teeth in a work-related accident[2015]

The parties will jointly request insurance companies to change the insurance conditions for employer accident insurance, such that necessary costs for a broken tooth resulting from an accident at work that are more than cost participation pursuant to the Social Security Act, will be compensated. Reservations are in other respects, pursuant to the Social Security Act and to the conditions of insurance companies. [2015]

Protocol on questionnaire on practices in layoffs[2015]

During the term of the agreement, the parties will agree on questions that will be put, on the one hand to members of unions and on the other hand to companies

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affiliated to SA, in a questionnaire which will seek to examine the general practices and knowledge of the provisions of the collective agreements with respect to layoffs (procedure, notice, interviews). [2015]

Protocol on review of law with respect to holidays [2015]

During the term of the agreement, the parties will jointly request government that the law with respect to holidays be reviewed with the objective of prescribing more clearly the rights and obligations of parties. [2015]

Declaration on matters relating to pensions [2015]

SA and ASÍ agree to continue work on levelling pension rights on the basis of the work done in the joint committee of the whole labour market. This work has suffered delays, among other things, because an agreement has not been reached between the state and public employees on historical problems in the official pension system, which means that there were no grounds for completing the negotiations between the parties on the basis of their declaration from 5 May 2011. The parties agree that the content of the declaration retains its validity and that work will be done on making progress on the declaration during the term of the collective agreement. [2015]

Protocol on vocational education

The parties agree to launch a joint study of the existing arrangement for education and vocational education with the objective of:

- a. Increasing the premium of studies that are assessed as credits or as recognised competence on the labour market;
- b. To support increased cooperation between funds for the convenience of companies and individuals and to establish a joint Internet portal for these parties;
- c. To launch a campaign to promote the funds and the gains that can be sought from them;
- d. To discuss the manner in which to disburse part of the increase which was negotiated in this agreement in order to achieve the objectives in items b and c.

The study shall be completed by 01 May 2014. [2014]

Protocol on written confirmation of employment

The parties agree that there are certain omissions in making written employment contracts or in confirming employment in writing in accordance with the provisions of the collective agreements on employment contracts and letters of engagement. This parties to the agreement will, during the term of the agreement, work towards

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disseminating the duties of employers and the rights of employees pursuant to these provisions. Before the end of 2015 the parties will make a study of implementation of the provision and its effectiveness and will review the provision in the light of this study. This new provisions on penalties are intended to meet criticisms from the EFTA Surveillance Authority (ESA). If ESA considers the provisions inadequate, the parties to the agreement will immediately initiate discussions to react to this. [2014]

Declaration on matters relating to pensions [2011]

The parties to the agreement and agree to continue work towards aligning pension rights on the labour market. This declaration is intended to facilitate consensus on the main issues relating to pensions. The main objective is that all pension funds on the labour market should operate on a sustainable base and that pension rights should develop in accordance with needs for acceptable pensions. The parties to the agreement will work on the assumption that there is a need to increase contributions to pension funds on the general market from 12% to 15.5% during the years 2014-2020.

Discussions between the parties to the agreement will deal with ways to implement an increase in contributions, including an incremental process and division of contributions between employers and employees on the basis of alignment for the labour market as a whole. Varying pay schemes will be taken into account such as on fishing vessels.

The parties to the agreement intend that the conclusion of this work will be available at the end of 2012 and will be discussed in the context of revision of the collective agreements at the beginning of 2013. This declaration constitutes a mandate for the management board of SA and for the negotiating committee of unions affiliated to ASÍ, to complete a structure for increase of contributions which can come into force in the year 2014. [2011]

Protocol on job names in tourism and ranking in wage categories

The parties to the agreement will establish a joint working group of the said parties in 2011 for the purpose of discussing job names and ranking in wage categories in tourism. Parties agree that SA will appoint two members of the working group and SGS/Flói will appoint two. In this work, the committee will discuss job names for members of unions affiliated to SGS and Flói along with the ranking in wage categories in the appropriate collective agreements between the parties. Party's agreement shall complete their work by 1 May 2012, so that it can be used in wage category allocations in the collective agreements between the parties. [2011]

Protocol on doormen and security officers

The Federation of General and Special Workers in Iceland and Icelandic Travel Industry Association (SAF) agree to assure optimum safety for doormen and

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security officers in their work. The SGS and FA report on issues related to doormen and security officers will be taken into account and the opportunity presented by the forming of a working group on their issues will be used. There is a particular need to pay close attention to those who work at popular clubs and restaurants that remain open after midnight. Action shall be taken across the country to give doormen and security officers the opportunity to attend standardised courses based on the conclusions of the working group on their issues.

SGS and SAF agree to inform and encourage owners of clubs and bars to make a risk analysis where the need for knife proof vests is specifically examined with a view to increasing safety of employees. Such safety clothing will be specifically discussed during recognised courses that doormen and security officers are intended to attend pursuant to Regulation no.585/2007. [2011]

Protocol on general wages increase

The agreed general wage increase in the collective agreements between unions affiliated to ASÍ and SA means a minimum increase of the regular wages that an employee enjoys on that day when the increase pursuant to the collective agreement is to be implemented, regardless of the wages the employee in question receives.

It is not authorised to reduce or cancel overpayments by not paying general wages increases. Overpayments will therefore only be reduced or cancelled when complying with the provisions of the employment contract. This provision however, does not prevent a company being able to use decisions on wages to expedite increases with specific decisions - thus in a predictable and pre-decided manner, taking into account non-implemented general increases during the following 12 months. It should be made clear to the employee in a verifiable manner that this is an acceleration of a general increase in wages pursuant to the collective agreement. [2011]

Protocol on matters relating to sickness and rehabilitation

Parties to the agreement are determined to review development of preventative health service and occupational safety.

The objective is to support predictable reactions to illness, such that an employee who falls ill is offered appropriate remedies as soon as possible. This constitutes among other things, increased flexibility on the labour market to ensure that individuals who fall ill or are injured and who are in active vocational rehabilitation, have the opportunity to return in a manner consistent with their ability to work at any given time.

It is clear that this objective will only be achieved if there is reciprocal trust between employers and employees about the way in which to notify illness, about the return of an employee after illness and about preventative health service in companies etc.

Parties to the agreement participate in a steering group under the auspices of VIRK which is working towards the objectives named here above.

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Special attention will be paid to a development project which is being launched by VIRK on preventative measures and work rehabilitation. The parties to the agreement will use the experience and knowledge created in this project in their own work.

The parties to the agreement will support the people running this project and will provide advice on matters of opinion that arise in the project that relate to legal and collective bargaining rights and obligations on the labour market. [2011]

Protocol on closures resulting from force majeure circumstances

During the first year after the main collective bargaining agreement between ASÍ affiliate unions and SA comes into force, a special working group comprising representatives of ASÍ and SA shall collect information and data from the Nordic countries on arrangements for payment of wages and/or compensation to employees, subsequent to force majeure events. [2011]

Protocol on emphases on equality

Equal opportunities for men and women for jobs, professional development and wages are in the interests of employees and companies. The parties will work together on the following tasks during the term of the collective agreement.

- Complete the work on a standard for implementation of an equality policy and subsequently continue work on making a standard for equal opportunities for the genders for work and professional development. Standards work is done in cooperation with IST-Icelandic Standards and the Ministry of Welfare. The objective is to publish the standard by the end of the term of the agreement.
- Cooperation with Statistics Iceland will be continued on research on wages development for women and men based on a database held by the institution, where the objective is to make one research project during the term of the agreement.
- Make joint promotional and educational material for employees and companies on equality in the labour market during the term of the agreement.
- To encourage company managers to turn their attention to forming family policy within companies, with the objective of increasing flexibility in scheduling work and working hours such that consideration is given both to family circumstances and to the needs of the industry. [2011]

Protocol on recording and handling of personal data

The recording and processing of personal data is according to the Data Protection Act as that legislation is at any given time, currently Act no. 77/2000, and according to the regulations set on the basis of that law, such as on electronic surveillance. The parties agree on producing joint promotional and educational

material during the term of the agreement on personal data protection for employees. [2011]

Protocol on matters relating to consultation

The parties agree to launch a joint campaign to promote and implement Act no. 151/2006 on information and consultation on undertakings and to work on educational and promotional material on the rights and obligations of companies and employees according to this Act. The parties agree to request that employers meet with union representatives at least twice a year where among other things, they discuss the status of the company and employment issues. [2011]

Protocol on temporary work agencies

The parties agree that with the adoption of the temporary work agencies directive, it should be emphasised that on the Icelandic labour market the main rule is that employees are hired without time limitations directly to the employer, as in this country there is a certain flexibility in hiring, which is intended to make it easier for companies to react to fluctuations in their operations.

Also, that according to the Act on Working Terms and Pension Rights Insurance no. 55/1980, the collective bargaining agreements decide minimum terms of employment. Then the main principle of the directive on equal treatment will be enshrined in law and will mean that the terms of employment of employees of temporary work agencies at the time in question will be at least those that would have applied if they had been hired directly to the company in question to perform the same work. This will relate to the real terms of employment by the company using the employees, however they are decided and however they are paid. [2011]

Declaration ASÍ and SA on implementation of calls for tender

It is important for Icelandic economic activity and for commerce that the labour market operates according to clear and transparent laws and regulations and that it ensures normal and healthy competition. Tendering for engineering projects is an important part of commercial operations. It is therefore very important that tender documentation for engineering projects, assessment of competence of bidders, the choosing of an offer and provisions on making payments to all those who do tendered work are better prepared and presented in a more definitive manner than is now the case.

In a declaration from the government in connection with discussions between parties to the labour market it states among other things on the implementation of tendering of contracts:

“It must be examined what changes need to be made to legislation on public procurement, and as appropriate to other legislation, in order to strengthen the position and rights of employees that work for companies on the contractor market and to level at the same time competition between companies. The objective shall be that a government working group, with representation from municipalities, ASÍ

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and SA provide proposals on the above issues, no later than June 2011 and that it will be possible to present proposals to the Althingi on desirable legal amendments at the beginning of the autumn Parliament. The government will furthermore, where appropriate, include the conclusions of the working group in government ownership policy.”

SA and ASÍ agree that more specifically defined projects of the working group are among other things the following:

1. Take a position on and submit proposals on legislation governing joint liability/and subcontracting chain liability of contractors/buyers for wages of employees and taxes of contractors and subcontractors. Particular attention shall be paid to legislation in neighbouring countries that relate to these issues.
2. Take a position on how to further guarantee the rights of employees with changes to the laws that deal with public contracts and competence of bidders.
3. Take a position on how to include in tender conditions for public procurement those requirements that the purchaser makes to bidders with respect to work arrangements based on collective bargaining agreement criteria (such as time measured provisions, measurements) in order to create parity between bidders and to show the scope and nature of the work.
4. Take a position on how Article 15.1 in IST 30 can be incorporated in general legislation on the execution of tenders for contracts.

SA and ASÍ have furthermore agreed on standardised purchaser assessment of competence of bidders in tenders for contracts (see Appendix 1 to the agreement between SA and the ASÍ negotiating committee). Emphasis is placed on the assessment applying both to the public and general markets and that it should equally cover prime contractors and subcontractors. Emphasis is furthermore placed on the assessment having recognised status in law or in the regulation. When assessing bidders, the main principle shall be that employees are in a fixed employment relationship.

SA and ASÍ have furthermore agreed on more detailed rules on how tender documents should be made on the basis of Articles 42-45 of Act no. 80/2007 on public procurement, on selection of bids on the basis of Articles 73 and 77 of Act no. 80/2007 and the making of payments on the basis of the standard IST 30:2003, Item 31.5 (see Appendix to the agreement between SA and the ASÍ negotiating committee). [2011]

Protocol on impairment of minimum rest time

The collective agreement prescribes right to time off if the rest period is less than 11 hours. The parties to the agreement agree that this rule also applies if the period of rest becomes less than 8 hours in exceptional instances. [2004]

Protocol on provisions for itemising on payslips

The parties agree to work towards compliance of companies with the provisions for itemising on payslips in accordance with the provisions of the collective agreement. Information should be informative and clear.

Protocol on weekend days off for shift workers

Shifts shall be scheduled such that employees have the weekends off at least every third weekend on average over the preceding three months.

Agreement on pay day for employees paid by the month

Pay day for those on monthly pay shall be the first day of the month subsequent to the month being paid for. If pay day falls on a holiday then the pay day will be the last working day of the month.

Declaration on employees adapting at retirement age

In order to help employees adapt to retirement SA will recommend to its members that they make efforts to meet employees' wishes to reduce their percentage work in the last years before retirement.

Protocol on revision of the company-specific part (fyrirtækjapáttur)

The parties agree to review chapter on "the company-specific part (fyrirtækjapáttur)" of the agreement. [2008]

Protocol on notification to consultant physician/occupational safety service company

The parties to the agreement consider that development of preventative health service and occupational safety are important for the labour market. It is important that development of service in this field is channelled in the right direction so that it can return results for employees and company.

The parties to the agreement will appoint a discussion committee which is intended to reach an agreement on a more detailed arrangement for notifying illnesses to the consultant physician/occupational safety service company.

In its work, the discussion committee shall among other things discuss the following issues:

- The conditions that the consultant physician/occupational safety service company must fulfil.
- The arrangements for employees to notify the occupational safety service company about absence because of illness or accident, if the employer wishes to adopt such arrangements, where such notification would all things being equal, replace the extension of a doctor's certificate.

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- Obligation for confidentiality and treatment of personal identifiable data which the consultant physician/service company gains in its operations. This refers to collection, treatment of, preserving and deletion of such information.
- How the operations of consultant physician/service company can benefit occupational safety work in companies.

In its work, the discussion committee will cooperate with the Data Protection Authority, the Directorate of Health, the Administration of Occupational Safety and Health and with stakeholders.

The discussion committee shall complete its work, no later than 30 November 2008.

The ASÍ and SA negotiating committees shall take a position on proposals from the discussion committee no later than on 15 December 2008.

If the parties to the agreement come to a joint conclusion, their agreement shall be considered part of the collective agreement of the affiliated unions and will come into force on 1 January 2009.

While the above work is in progress, the parties to the agreement make no objections to operations of occupational safety service companies that have received recognition from the Administration of Occupational Safety and Health as an occupational safety service company and nor to the employees' duty to notify them. [2008]

Article 18 of Regulation no. 585/2007

Competence of doormen.

No one may work as a doorman without an endorsement from the Chief of Police

Doormen shall fulfil the following general conditions:

- a) Be at least 20 years old
- b) Have not been found guilty of offences related to violence or narcotics. Provide a criminal record certificate as confirmation. Foreign nationals shall provide a criminal record certificate from their home country.

The Chief of Police shall, in other respects, decide who is considered competent to be a doorman.

The National Commissioner of the Icelandic Police is authorised to prescribe that no one shall work as a doorman without having completed a recognised course for doormen. The National Commissioner of the Icelandic Police can set more detailed rules on the content of such courses and can prescribe in more detail the competence conditions for doormen.

Winter time off for shift workers

General

Full-time employees that work regular shifts, earn 12 winter days off per annum for contractual public holidays and special days that fall on Mondays to Fridays in the working week. Winter days off are not given for public holidays that fall on Saturdays or Sundays or if the place of work is closed on a holiday.

On what is the right to winter time off based?

The right of shift workers to winter days off is based on the equating the working year of shift workers with that of day workers who complete their working week during the day work from Monday to Friday. Permanently employed day workers have days off on contractual holidays that fall on working days (Mondays to Fridays) they receive full day work pay. For example, let us say that Thursday is a holiday. A day worker works 4 days of that week, i.e. 32 hours, and is paid for 40 hours day work. Shift workers provide an average of 40 hours per week on shifts and the shift schedule is not changed when there is a contractual holiday in a given week. This means that shift workers provide 40 hours on shifts that week, regardless of holidays. In order to level this position with respect to the workers, the shift workers gain a winter day off for each holiday that falls within the working week of day workers. Instead of getting a day off immediately on contractual holidays. The days off are accrued and are provided together as winter days off.

Which holidays create a right to winter days off?

When holidays pursuant to Articles 2.3.1 and 2.3.2 in the collective agreement for all during the period Monday to Friday, they create the right to winter days off. When they fall on weekends, Saturdays and Sundays, they neither create rights for the workers or shift workers.

If there are no operations on a holiday

If a place of work is closed on a contractual holiday, which falls during the period, Monday to Friday, or if a holiday is given on that day, then the corresponding number is subtracted from the winter days off, except for those who have accrued shift days off. This means that if a workplace is closed e.g. on 17 June then the winter days off that those employees who would have worked on that day, are reduced by one. The same applies if an employee takes a day off on a holiday when he should have been working according to the shift schedule. If an employee is using an accrued shift day off on a day when the workplace is closed, he does not lose his right to the winter day off, as he has provided a full working week.

The right to taking winter days off is not only decided by work on holidays, but also on whether the employee has provided a full working week (40 hours) in the week when the holiday occurred between Monday to Friday. For this reason, the employee accrues the right to a winter day off, even though he was taking a shift day off on the holiday, if he has provided a full work during that week.

Translation. Original Icelandic text takes precedence

Period for earning and taking of winter days off

Winter days off shall be given during the period 1 October until 1 May. Winter days off are earned during the period 1 October to 30 September. A common misunderstanding is that one winter day off is and for each worked month. This may have its roots in the fact that agreed winter days off are 12 and there are 12 months in year. The correct calculation is that winter days off around on the basis of the number of holidays in each employee's working month.

If an employee works for part of the year, a calendar shall be used to count his accrued winter days off for the period that he worked. An example of an employee who started work in June 2004 and works until the end of August. In June, there is one holiday that falls on a working day and one in August. He therefore earns the right to be paid 16 hours in day work at the end of this period of employment if he has not had days off on day work wages for 2 working days before his employment ended.

As a matter of interest, it should be stated that if holidays that fall during Mondays to Fridays are counted using the calendar. They range from 9 to 13 per year. According to calculations made for a 400 year period, holidays that fall during the period Monday to Friday are 11.21 but in the collective agreement it was decided to use the number 12

Payments on winter days off

Winter days off are paid at day work rate In this way, shift workers receive the same payment as they workers for the contractual holidays that fall during the period Monday to Friday. Those who work shifts on these days receive however, a higher shift premium for worked shifts on holidays than on working days. An employee working full-time all year who earns 12 winter days off, receives 8 hours at day rate for each earned day. This is therefore a payment of a total of 96 hours at day rate. If employees are on 12 hour shifts, they earn days off for 8 shifts at day rate (96/12). A premium is not paid when winter days off are taken.

Winter days off paid instead of taken

With an agreement between the employer and an employee it is authorised that payment may be made in lieu of the days off in question, 8 hours at the day rate for each day off, based on full-time employment. Temporary workers' accrued winter days off are settled when their employment ends.

Wage Table from 1 May 2015 to 31 December 2015

Wage Table from 1 May 2015 - 31 Dec. 2016

Cat.	Start	1 year	3 years	5 years
2	229,517	231,153	232,814	234,500
3	231,153	232,814	234,500	236,211
4	232,814	234,500	236,211	237,948
5	234,500	236,211	237,948	239,711
6	236,211	237,948	239,711	241,500
7	237,948	239,711	241,500	243,316
8	239,711	241,500	243,316	245,159
9	241,500	243,316	245,159	247,030
10	243,316	245,159	247,030	248,928
11	245,159	247,030	248,928	250,856
12	247,030	248,928	250,856	252,812
13	248,928	250,856	252,812	254,798
14	250,856	252,812	254,798	256,814
15	252,812	254,798	256,814	258,859
16	254,798	256,814	258,859	260,936
17	256,814	258,859	260,936	263,043
18	258,859	260,936	263,043	265,182
19	260,936	263,043	265,182	267,354
20	263,043	265,182	267,354	269,558
21	265,182	267,354	269,558	271,795
22	267,354	269,558	271,795	274,065
23	269,558	271,795	274,065	276,370
24	271,795	274,065	276,370	278,709

Length of service is based on working experience in an industry while the 5-year increment is based on length of service with the same employer.

Wage Table from 1 January 2016 to 30 April 2017

Wage table from 1 Jan. 2016 - 30 April 2017

Cat.	Start	1 year	3 years	5 years
2	244,517	246,153	247,814	249,500
3	246,153	247,814	249,500	251,211
4	247,814	249,500	251,211	252,948
5	249,500	251,211	252,948	254,711
6	251,211	252,948	254,711	256,500
7	252,948	254,711	256,500	258,402
8	254,711	256,500	258,402	260,359
9	256,500	258,402	260,359	262,346
10	258,402	260,359	262,346	264,362
11	260,359	262,346	264,362	266,409
12	262,346	264,362	266,409	268,486
13	264,362	266,409	268,486	270,595
14	266,409	268,486	270,595	272,736
15	268,486	270,595	272,736	274,908
16	270,595	272,736	274,908	277,114
17	272,736	274,908	277,114	279,352
18	274,908	277,114	279,352	281,623
19	277,114	279,352	281,623	283,930
20	279,352	281,623	283,930	286,271
21	281,623	283,930	286,271	288,646
22	283,930	286,271	288,646	291,057
23	286,271	288,646	291,057	293,505
24	288,646	291,057	293,505	295,989

Length of service is based on working experience in an industry while the 5-year increment is based on length of service with the same employer.

Wage Table from 01 May 2017 until 30 April 2018

Wage table from 1 May 2017 - 30 April 2018

Cat.	Start	1 year	3 years	5 years
3	257,230	258,966	260,728	262,515
4	258,966	260,728	262,515	264,331
5	260,728	262,515	264,331	266,173
6	262,515	264,331	266,173	268,043
7	264,331	266,173	268,043	270,030
8	266,173	268,043	270,030	272,075
9	268,043	270,030	272,075	274,151
10	270,030	272,075	274,151	276,258
11	272,075	274,151	276,258	278,397
12	274,151	276,258	278,397	280,568
13	276,258	278,397	280,568	282,772
14	278,397	280,568	282,772	285,010
15	280,568	282,772	285,010	287,279
16	282,772	285,010	287,279	289,584
17	285,010	287,279	289,584	291,922
18	287,279	289,584	291,922	294,296
19	289,584	291,922	294,296	296,707
20	291,922	294,296	296,707	299,153
21	294,296	296,707	299,153	301,635
22	296,707	299,153	301,635	304,155
23	299,153	301,635	304,155	306,713
24	301,635	304,155	306,713	309,308

Length of service is based on working experience in an industry while the 5-year increment is based on length of service with the same employer.

Wage Table from 01 May 2018 to 31 December 2015 2018

Wage table from 1 May 2018 - 31 Dec. 2018

Cat.	Start	1 year	3 years	5 years
4	266,735	268,549	270,391	272,261
5	268,549	270,391	272,261	274,158
6	270,391	272,261	274,158	276,084
7	272,261	274,158	276,084	278,131
8	274,158	276,084	278,131	280,237
9	276,084	278,131	280,237	282,376
10	278,131	280,237	282,376	284,546
11	280,237	282,376	284,546	286,749
12	282,376	284,546	286,749	288,985
13	284,546	286,749	288,985	291,255
14	286,749	288,985	291,255	293,560
15	288,985	291,255	293,560	295,898
16	291,255	293,560	295,898	298,272
17	293,560	295,898	298,272	300,680
18	295,898	298,272	300,680	303,125
19	298,272	300,680	303,125	305,608
20	300,680	303,125	305,608	308,127
21	303,125	305,608	308,127	310,684
22	305,608	308,127	310,684	313,279
23	308,127	310,684	313,279	315,914
24	310,684	313,279	315,914	318,588

Length of service is based on working experience in an industry while the 5-year increment is based on length of service with the same employer.

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